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Southeast Asia Report

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27 June 1985

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AUSTRALIA

EDITORIAL WARNS OF USSR DESIGNS ON SOUTH PACIFIC

Sydney THE AUSTRALIAN in English 24 Apr 85 p 1

[Editorial: "Limiting Soviet Bases"]

[Text]

THE warning by the former prime minister Mr Malcolm Fraser that the Soviet Union may soon succeed in getting a military base in the South Pacific deserves to be taken very seriously. One of the most ominous signs for Australia has been the way the Soviet Union has built up its naval presence in the Pacific Ocean.

The Soviet use of the giant Camh Ranh Bay naval base in Vietnam has reinforced a growing Soviet naval capability throughout the Pacific. The Soviet Pacific fleet is now enormous, and the Soviets are plainly eyeing the South Pacific as a major area of opportunity.

As always, the Soviets are using a variety of mechanisms simultaneously to pursue their aims. They have, for example, been active in South Pacific union movements. Libya, which is essentially pro-Soviet in its foreign policy, has been closely involved in the Kanak independence movement.

Similarly, the Soviets are pursuing whatever trade opportunities are available in the area. They have been very active in the fishing industry throughout the Pacific. In addition, the Soviets have increased the general level of their diplomatic activities throughout the region.

It is fundamental to understanding Soviet strategy in any part of the world to realise that apparently disparate Soviet moves are generally closely related. Soviet trade activities are not unrelated to Soviet political

manoeuvres. Often trade and cultural activities provide a cover for political and even espionage measures.

If the Soviets were to secure an ally, and ultimately bases, in the South Pacific, the implications for regional security and stability would be calamitous. Recently, the Soviets have quietly but persistently been offering fishing deals to such South Pacific States as Kiribati, the Solomon Islands, Fiji and Tuvalu.

The partial unravelling of ANZUS has no doubt convinced the Soviets that the region could be entering a period of instability which would offer it major opportunities.

Mr Fraser said that on three separate occasions his government had been able to keep the Soviets out of the region by offering aid to the countries being courted by the Soviets.

Australia and New Zealand are the "superpowers" of the South Pacific. Whatever our differences over ANZUS, both countries have a major interest in excluding the Soviets from the region. It is a regional responsibility which can only be carried out by the ANZAC nations.

The Soviets have shown themselves to be perennial opportunists. By constant vigilance, and active diplomacy involving aid and consultation, Australia and New Zealand must make sure that in our part of the world the Soviets do not have any opportunities to exploit.

AUSTRALIA

GOVERNMENT SEEKS BUSINESS CONFIDENCE BY 'TOUGH' MOVES

Spending Cuts, Fuel Price Rise

Sydney THE SYDNEY MORNING HERALD in English 23 Apr 85 p 1

[Article by Mike Steketee]

[Text]

CANBERRA: The Federal Government signalled its determination to make tough economic decisions yesterday by announcing a 4 cents a litre rise in petrol prices from next month and spending cuts of at least \$1 billion from July 1.

The decisions, outlined by the Prime Minister are a clear attempt to win back business confidence in the economic credentials of the Government.

Cabinet decided yesterday to maintain its policy of pricing oil at import parity which means, because of the large devaluation in the dollar, one of the biggest petrol price rises for years.

But Mr Hawke committed the Government to using the additional revenue - \$642 million in a full year - to reducing either the deficit or taxes and charges.

He also reaffirmed his Government's commitment to the trilogy - the economic straitjacket restricting Government spending and taxation to within the economic growth rate - and to a substantial cut in the Budget deficit for 1985-86.

At a news conference, he even borrowed some of the rhetoric of his conservative predecessor, Malcolm Fraser, by saying: "This community cannot simply go on running up debts and living beyond its means".

The Government would ensure the Budget deficit did not crowd out private investment and put additional pressure on interest rates.

He refused to give the forward estimates figures on which the cuts of \$1 billion, made by Cabinet's Expenditure Review Committee, are based. It was these figures which the Hawke Government used to great effect, when it came to office in 1983, to argue that it had inherited a deficit of \$9.6 billion from the Fraser Government.

But total Government spending for this financial year is estimated at \$64 billion and current projections for 1985-86 are for about \$69 billion, which would be an increase, after inflation, of about 3 per cent.

Mr Hawke also would give no commitment to a deficit target for 1985-86, although Government officials have been talking of cutting the 1984-85 projected deficit of \$6.7 billion to below \$6 billion.

The benefit of the Government's decisions on spending, to be announced next May is that they will apply for all of 1985-86, rather than the nine or 10 months involved in decisions made in the August Budget.

But Mr Hawke would not say whether the \$1 billion in cuts would lead to a lower deficit than

originally intended.

He did give an assurance that the decisions did not represent window-dressing: "If you'd been a fly on the wall in the ERC Committee and seen the sweat and blood that had gone on, you'd have no doubt about the reality of the billion dollars," he said.

The ERC meetings are continuing this week, so that the \$1 billion announced yesterday does not include areas still to be examined, including social security.

Government officials said any cuts in these areas - including any decision to restrict family allowances - would be in addition to the \$1 billion.

Yesterday's announcement also does not include the cuts the Commonwealth will make to grants to the States. Mr Hawke said the Federal Government would be expecting stringency from the States and officials are believed to be considering savings of \$1.5 billion in this area.

The Deputy Leader of the Opposition, Mr Howard, dismissed yesterday's announcement as "nothing but empty rhetoric".

No details of the cuts were released yesterday but it is understood they are spread across most areas of Government activity.

Mr Hawke said he believed the money market would appreciate "the clear determination of a Government to pursue these responsible economic policies".

The cuts meant programs now under way either would be eliminated or curtailed.

This was to ensure "that this community will now and into the future have a better opportunity of living according to its means".

States, Industry, Caucus Revolt

Sydney THE AUSTRALIAN in English 24 Apr 85 pp 1, 2

[Article by Robert Bowden, Paul Lynch and David Hirst]

[Text]

THE Federal Government's petrol-pricing policy came under attack yesterday from the States, industry and its own backbench over its decision to increase petrol prices by 3.9c per litre from May 1.

The Premier of Victoria, Mr Cain, threatened to take back control of petrol pricing from the Commonwealth -- a threat which was immediately countered by the Federal Minister for Finance, Senator Walsh, who warned that Victoria's funding allocation could be reduced.

The rise also came under fire from the Labor Caucus, where members were critical of the Government's failure to canvass the move with the backbench.

In Canberra, several questions were directed at the Minister for Resources and Energy, Senator Evans, at a Caucus meeting and a motion was passed attacking the decision-making involved.

The former South Australian attorney-general, Mr Peter Duncan, succeeded with a motion calling on the backbench Resources Committee to "urgently review" the parity pricing policy, including any change proposed by the Government.

The motion effectively amounts to a revolt against the decision, although there is little likelihood that any recommendations of the Resources Committee would be adopted by the Cabinet.

The Government was warned by industry leaders that the rise would cause financial trouble in the retailing and

service station industries and send petrol prices at the pump up to 60c per litre in some States.

The Government's decision to stand by its import parity pricing arrangement signals its determination to maintain economic recovery in the face of the falling dollar.

But Mr Cain warned that unless the Federal Government reconsidered the rise, his Government would have to look at the possibility of reintroducing State cost control.

"We can endeavour to influence them (the Federal Government), but failing that we will have to look at getting back into the game ourselves," Mr Cain said.

It was a "very bad decision. You are dealing with ordinary people and their cost of living."

The move was a way to "grab revenue" to reduce the deficit formed by the decline in the Australian dollar, without keeping the interests of the people in mind.

Senator Walsh gave notice that failure to pass on the price rise could see a reduction in Victoria's share of federal funding flowing from excise revenue.

Victoria, he said, would gain increased revenue estimated between \$20 million and \$28 million from the decision to adjust local crude prices to the international market.

"What the Premier is saying is that Victoria doesn't really need the extra revenue which would accrue because of that price increase," Senator Walsh said.

"If that is the case, and

given that the Federal Government is facing a very difficult Budget situation, I think it is reasonable for the Government to take that into account when determining the amount of federal taxpayers' money which ought to be paid to Victoria — I'll certainly be doing that."

Senator Walsh's statements appear to put at risk some of the additional \$1.9 million in federal funding which Victoria stands to gain if the recommendations of a recent Commonwealth Grants Commission report on tax-sharing arrangements are followed.

Ten years ago Australians were paying an average 15c per litre at the pump. Since then, the price has jumped by approximately 280 per cent.

The Federal Government alone now takes \$6 billion each year in revenue from the 15.5 billion litres of petrol sold.

The May 1 increase means the wholesale price of petrol in Australia will have risen by 14.5 per cent (6.6c) per litre since January 22, without taking into account petrol franchise fees imposed by all States except Queensland.

The new prices dealers and motorists will have to pay in each State, based on capital city prices, are:

NSW: The wholesale price will rise from an average 49.17c per litre to 53.07c. Motorists will pay an average 57c per litre — but could pay up to 59.9c, compared with the present 49.9c. In country areas the price could go

through the 60c barrier.

VICTORIA: The wholesale price will rise from 49.71c to 53.61c per litre, and the retail price will rise from an average 43c to between 52c and the Government's new maximum retail price of 56.90c per litre.

SOUTH AUSTRALIA: The wholesale price will rise from 48.41c to 52.40c per litre and the retail price from 32.90c to as high as 57.5c. A 15-month price war ended only last week.

QUEENSLAND (where there is no State levy on petrol): The wholesale price will rise from 45.59c to 49.40c per litre, while retail prices will increase from an average 47.9c to 54.9c.

WESTERN AUSTRALIA: The wholesale price will rise from 47.76c to 51.7c, while retail prices will increase from 51.8c to 55.7c per litre. Industry representatives said petrol prices had gone up in the State by 20 per cent since February last year.

The consensus among automobile chambers of commerce contacted by *The Australian* yesterday was that the price rise could not be sustained by many service station owners who were already working on slight profit margins.

A typical small service station which operates on 100,000 litres each month in Queensland would be forced to fuel an extra \$3900 to pay for petrol deliveries. The same applies to service stations in all States, including Western Australia where dealers will have \$2000 added to their underground storage and delivery charges.

27 June 1985

AUSTRALIA

LEGISLATION SIGNALS SHIFT IN CONSERVATIVE TRADE POLICIES

Sydney THE AUSTRALIAN in English 22 Apr 85 p 9

[Article by David O'Reilly]

[Text]

THE passage of a seemingly insignificant piece of federal legislation last week represents a turning point in the historic shift underway in the trade and industry policies of Australia's conservative political parties.

What appeared on the surface to be routine support by the Federal Opposition for a relatively unimportant commercial Bill, is being portrayed as the end of an era in the approach of both the Liberal and National parties to industry protection.

At a joint Liberal-NP meeting some weeks ago, it was resolved that the Bill extending bounty assistance to an Albury company, Battenfeld, should be supported.

But the decision was made in the face of a quiet revolt by an axis of Liberal Party "dries" and economic rationalists and an important new cell of National Party MPs who entered Parliament at the last election and who privately exult in the phrase that has sprung up to describe them — "the new-wave Nationals".

The role of this small NP cell of youngish, university-educated economic rationalists is significant because it is attempting gradually to cut links with the agrarian socialism that for so many years dominated the Country Party's approach to trade and industry policy.

Last week, this axis of MPs served notice that, while they would allow through the extended assistance to the Albury company, the days of automatic parliamentary sup-

port for such moves were over.

From now, they are determined to breathe life into their political rhetoric about deregulation and the dismantling of protection by refusing to automatically allow assistance-extending legislation through the Parliament.

Instead they will examine each Bill and decide, case by case, if other factors outweigh the importance of hammering the deregulation line.

Battenfeld is the only company left in Australia producing injection-moulding machines for the manufacture of plastic goods and parts. The machines have been subject of seven IAC reports in the past decade. Local production has been receiving relatively high, though gradually diminishing, assistance for many years.

Phased bounties have been used since 1979 to protect the company as other local firms went out of business. While initially the bounties were intended to be temporary, the legislation extends them at an additional cost of \$2 million to the taxpayer.

Leading the charge was energetic David Connolly, the NSW MP who Andrew Peacock gave responsibility for drawing together the Liberals' deregulation policy before the December election.

Mr Connolly told Parliament the Opposition was not opposing the bounty extension because it would be unfair to the company to change policy at such short notice. But he warned the Government it had better start translating its

rhetoric about industry rationalisation into action.

For a company which now produced 30 machines, compared with 103 in 1979 the Government was subsidising each of its 68 workers by \$25,000 a year.

It was another case of successive IAC inquiries extending support year after year, and featherbedding jobs as — industries or companies gradually collapsed without any rationalisation.

Importantly, Mr Connolly was given support in the debate by Dr David Watson, Mr Alexander Downer, Dr Harry Edwards and Mr Peter White from the Liberal Party and Mr Michael Cobb, and Tim Fischer from the National Party. Other MPs said to be supporting the policy shift, in some degree, but who did not speak include Mr Peter Slipper, from the Nationals and the Liberals' Mr Julian Beale and Mr Warwick Smith.

These MPs make the point that the type of assistance extended for Battenfeld is in fact costing the economy, financially and in jobs. They said it was becoming accepted that for every job saved by featherbedding, the money could be used to create three jobs elsewhere.

"The industries which owe their employment to protection or assistance do so at the expense of employment in other industries," Mr Connolly said.

The shift in the Opposition's approach does not have major, short-term moment for parliamentary politics. What it does reflect is that the National Party traditionalists are losing the battle and a new breed of activists are determined to signal to both the business community and the unions they are intent on implementing a new philosophy for industry restructuring and deregulation rather than just talking about it.

Soon a government Bill will come before the Parliament to prop up the ailing Snowy Mountains Engineering Corporation by expanding its ability to compete in the market.

The joint party meeting in Canberra last Tuesday voted that this Bill, which once would have been likewise regarded as routine and unexceptional, will now be opposed.

The MPs who inherit the legacy of "Black Jack" McEwen have finally decided that different economic conditions from those of the 1950s and 60s now require different answers.

AUSTRALIA

INDUSTRIALIST EXPLAINS BENEFITS TO ORE BARTER WITH ROMANIA

Sydney THE AUSTRALIAN in English 23 Apr 85 p 15

[Article by Lang Hancock, Australian industrialist: "Loss of Romanian Iron Ore Deal 'Could Be Disastrous'"]

[Text] [The first paragraph is THE AUSTRALIAN's introduction] The arch opponent of governments, Mr Lang Hancock, last week signed a billion dollar deal with Romania which will at last realise his dream of a railway and deep-water port in the north-west. It was the biggest deal Australia has ever done with Eastern Europe, it was by barter and it will mean development of the Pilbara remains in Australian hands.

IN a nutshell, my barter deal with the Romanians is this: they are to advance me, three years ahead, some \$100 million worth of equipment with which to build a mine, railway and additions to port.

I then pay them in iron ore produced with their equipment.

To my mind, this is the nearest thing to a free lunch that I have ever heard of.

It has been brought about by the following circumstances:

ROMANIA has a steel industry approximately twice the size of Australia's.

ROMANIA has no money with which to buy iron ore, yet it imports 14 million tonnes a year from competitors of Australia.

ROMANIA is at present aiding the development of Australia's most dangerous competitor, namely the Carajas mine in Brazil, by supplying them with ore wagons and taking iron ore in exchange as payment.

INSTEAD of building a mine in Brazil I have persuaded the Romanians to supply me with sufficient equipment to

develop a mine in Australia for which, as I have said, they will take payment in iron ore produced with the machinery which they have supplied, which means that the more machinery they do supply, the more iron ore Australia will sell.

THE alternative to this barter deal would be to import money instead of equipment from overseas in exchange for a large share of the ownership of the mine. This will only help to add to Australia's already large exchange problems. It would mean foreign ownership of at least half the mine, whereas my Romanian deal does not give them any equity.

AUSTRALIA'S dollar is sliding disgracefully, due to our poor trade balance. Therefore, the more iron ore we can produce, the more it will help the Australian dollar from declining still further.

I think it should be more widely known that there is not one single foot of locally made railway iron in the whole 186 miles of Hamersley Iron's Tom Price to Dampier railway. Likewise, the first railway wagons, shiploaders, etc, were all foreign.

It was this use of imported

foreign equipment and foreign money to finance the purchase of it that allowed the Hamersley Iron project to be started with such enormous benefit to Australia, and particularly to the unions.

Australian governments contributed nothing in cash know-how and yet took 80 per cent off the top.

If that minority section of the press who are doing their best to sabotage this project (by endeavouring to stir up union hostility) is successful in stopping this project, it is no skin off my nose, (I can afford to live without it.) but its affect on Australia could be disastrous for the following reasons:

IF there is no project, then union members will be denied jobs for a hundred or more years, because I expect the mine to last longer than this.

THE State will lose enormous royalties, which are charged at an exorbitant rate.

BOTH the State and Federal governments will lose enormous amounts of taxation.

AUSTRALIA raises enormous tariff and trade barriers against the world to support hothouse industries which cannot stand on their own feet, and these are the industries, for the most part, that the hostile section of press says will be jeopardised by my barter deal.

They completely overlook the fact that, instead of trying to stop a project, they would serve Australia's interests best by trying to remove these trade barriers which could be reduced by the extent to which the Australian dollar has declined.

This would still give them a very high measure of tariff protection, which Australia can otherwise ill afford.

Because of the chaos in international currencies, including Australia's,

something like 40 per cent of the world's trade is now accomplished on a barter basis.

If Australia wishes to get its rightful share of this trade, it must forget its high tariffs.

This economic fact of life also needs to be absorbed by environmentalists and other minority groups.

Australia would lose a market almost equivalent in size to the Japanese market by virtue of my undertaking to raise the port of Constanza in the Black Sea capacity to handle 150,000 ton ships instead of 50,000 tons. This market is at present consuming 98 million tonnes of iron ore a year in comparison with the Japanese 100-110 million tonnes. So far, not one tonne of iron ore has ever been sold from Australia to this vast market.

If that small section of the press which is hostile to this project is able to persuade the unions to stop the project, I would suggest that, before they embark on such an action which can cost them dearly, they look at the staggering loss which they and Australia suffered, amounting to some billions of dollars in taxation and wages, when the West Australian Government at that time knocked back my scheme for D.K. Ludwig to build one central railway, one giant port and order six jumbo ships which were three times the size of those used in the iron ore trade at that time.

In layman's language, this order was the equivalent of 26 Queen Marys.

Had this Ludwig plan not been rejected, Australia would have been able to capture not only 46 per cent (which it has at present) of the Japanese market, but at least that amount of the world market which is about eight times the size.

AUSTRALIA

CABINET OPPOSITION TO MILITARY EXPOSITION REPORTED

Sydney THE AUSTRALIAN in English 24 Apr 85 pp 1, 2

[Article by Peter Young: "War and Peace...by Hayden"]

[Text]

CABINET is believed to have endorsed a policy put by the Minister for Foreign Affairs, Mr Hayden, that would deny government or other official support for any paramilitary activity inconsistent with the ideals of the United Nations International Year of Peace (IYP) in 1986.

The wording of the Cabinet resolution is not known but sources say it fully endorses Mr Hayden in denying support for the Pacific Area Defence Equipment Exhibition, PADEX 86, planned for Sydney in May next year.

Last week Mr Hayden wrote to the organisers of the exhibition saying that since the Government had given a high priority to disarmament and arms control, including the curbing of the international arms trade, any government support would be inconsistent with the aims of the International Year of Peace.

Further pressure was applied by the newly appointed consultant to the Department of Foreign Affairs and Director of the 1986 IYP programme, Mrs Stella Cornelius, who wrote to the organisers condemning the exhibition.

The letter, headed by the official insignia of the Depart-

ment of Foreign Affairs on the left side and a dove of peace on the other, stated that the best way for any nation to secure its defence was to concentrate on "conflict resolution skills".

It suggested the acronym PADEX could be changed to mean Peace and Disarmament Equipment Exhibition.

After Mr Hayden's letter a defence official then sent a telex to all major Australian embassies and high commissions around the world warning that although the Minister for Defence, Mr Beazley,

was still seeking a decision on Government attitudes, they should be aware of what he interpreted from the original letter as Mr Hayden's "strong opposition to the exhibition being held and even stronger opposition to Government support."

This was defended by Mr Beazley's office as little more than a warning of Mr Hayden's views which had not at that time received government approval. No explanation however, was given why the official, the first assistant secretary from the Defence Industrial Material Policy Division, who could be expected to have welcomed such an exhibition, should have sent such a damaging telex on an issue which had not been resolved by his minister.

LAOS

MINUTES ON COOPERATION TALKS SIGNED WITH SRV

BK111136 Vientiane KPL in English 0900 GMT 11 Jun 85

[Text] Vientiane, 11 June (OANA-KPL)--The Lao Ministries of Industry and Construction signed here on 9 June the minutes of the talks on their cooperation with the Vietnamese Ministry of Construction.

The minutes of the talks between the Lao Ministry of Industry, Handicraft and Forestry and the Vietnamese Ministry of Construction was signed by Maisouk Saisompheng, member of the LPRP CC, and minister of industry, handicraft and forestry and Phan Ngoc Tuong, alternate member of the Communist Party of Vietnam CC and minister of construction. During their talks, the two sides discussed their cooperation for 1986-1990 and reviewed the implementation of various projects scheduled to be achieved by the end of this year. They highly evaluated the results of their joint venture on the construction of a gypsum mine in Atsaphangthong, the southern province of Savannakhet.

For their part, the Lao and Vietnamese Ministries of Construction reached a cooperation plan for 1986-90. They also reviewed their achievements in various joint projects.

The signing ceremony took place in the presence of Sali Vongkhamsao, secretary of the LPRP CC, vice-chairman of the Council of Ministers and chairman of the State Planning Committee, and other senior officials.

Vu Tien and Dam Xuan Dung, respectively minister counsellor and economic and cultural representative of the Vietnamese Embassy to Laos, were also on hand.

CSO: 4200/1066

LAOS

BRIEFS

SRV POWER PLANTS AGREEMENT--Vientiane, 3 Jun (OANA-KPL)--Vietnam will help carry out feasibility surveys for the construction of small hydroelectric power stations in Laos. A memorandum signed here on 31 May provided for such surveys for the building of Keng Vek and Hin hydroelectric power stations in the Lao northern provinces of Houa Phan and Oudomsai in 1985. Vietnam will also cooperate with Laos in the survey of a projected hydroelectric at [as received] Sekong River in the southern province of Attapeu and many other power stations during the 2d Five-Year Plan beginning 1986. Signing the document were Soulivong Dalavong, Lao deputy-minister of industry, handicraft and forestry, and Nguyen Dinh Tranh, Vietnamese deputy-minister of energy. [Text] [Vientiane KPL in English 0904 GMT 3 Jun 85 BK]

SRV CONSTRUCTION DELEGATION TALKS--Vientiane, 4 Jun (OANA-KPL)--Talks were held here this morning between delegations of the Lao Ministry of Industry, Handicraft and Forestry and the Vietnamese Ministry of Construction. The Lao side was headed by Maisouk Saisompheng, member of the party CC, minister of industry, handicraft and forestry, and the Vietnamese side by Phan Ngoc Tuong, member of the CPV CC and minister of construction, on a current visit here. They reviewed the implementation of their bilateral cooperation in construction work and the exploitation of gypsum in Laos. Both sides also worked out a cooperation plan for 1986-90 and a long-term plan up to the year 2000. The Vietnamese delegation arrived here yesterday on a friendly visit to Laos. [Text] [Vientiane KPL in English 0911 GMT 4 Jun 85 BK]

SRV PROVINCIAL DELEGATION VISITS--Vientiane, 4 Jun (OANA-KPL)--To Dinh Co, deputy secretary of the party committee and chairman of the administrative committee of Nghia Binh Province, and his delegation recently paid a four-day visit to Champassak Province. During its stay, the Vietnamese delegation signed with the Lao side an agreement on economic cooperation. It also toured a number of economic establishments in Pakse and Paksong districts. [Text] [Vientiane KPL in English 0913 GMT 4 Jun 85 BK]

PUBLIC HEALTH DELEGATION RETURNS--Vientiane, 30 May (OANA-KPL)--Khamliang Phonsena, acting minister of public health, recently returned home after attending the 38th WHO conference in Geneva from 6 to 23 May. The conference, attended by representatives from over 160 countries, reviewed their past activities and adopted a new action plan for the next few years. Addressing the conference, the Lao delegation spoke of the achievements of the Lao PDR in public health. It voiced support for the Czechoslovak delegation's statement which

protested against the presence of the Khmer reactionary representatives at the conference. [Text] [Vientiane KPL in English 0919 GMT 30 May 85 BK]

NEW FRENCH ENVOY--Vientiane, 1 Jun (KPL)--Phoun Sipaseut, vice-chairman of the Council of Ministers, minister for foreign affairs, received here yesterday the newly accredited French ambassador to Laos, March Menguy. During the warm and cordial reception, P. Sipaseut wished the ambassador success in his diplomatic mission here for the benefits of the Lao-French relations. [Text] [Vientiane KPL in English 0906 GMT 1 Jun 85]

TREE-PLANTING CEREMONY--Vientiane, 3 Jun (OANA-KPL)--Over 1,500 cadres from various ministries in Vientiane joined in a tree-planting day on 1 June on the occasion of the national tree-planting day (1 June) and the international forestry year. They covered 13 hectares in Nam Souang area with young trees. Among those present on the tree-planting day were Sali Vongkhamsoo, secretary of the party Central Committee, vice-chairman of the Council of Ministers, chairman of the State Planning Committee, Maisouk Saisompheng, member of the party Central Committee, minister of industry, handicraft and forestry and other officials. Diplomatic envoys of socialist countries and representatives of international organizations in Laos were also present. [Text] [Vientiane KPL in English 0902 GMT 3 Jun 85]

KINDERGARTEN TEACHERS HONORED--Vientiane, 1 Jun (KPL)--Phoumi Vongvichit, Politburo member of the LPRP Central Committee and vice-chairman of the Council of Ministers, on 31 May talked to nurses, kindergarten teachers and children's parents on the occasion of the International Children's Day today. He congratulated them on their successes last year and pointed to the orientation and objectives set for educational workers in the new situation. We also spoke of the need to improve the existing nurseries and kindergartens and set up new ones where there is none with the aim of perfecting the child care system throughout the country. [Text] [Vientiane KPL in English 0904 GMT 1 Jun 85]

POPULATION CENSUS WORK--Vientiane, 1 Jun (KPL)--The party and administrative committees of Vientiane organised a conference in Vientiane on 30 May to review the recent population census work. Among those present on the occasion were Sali Vongkhamsoo, secretary of the party Central Committee, vice-chairman of the Council of Ministers, chairman of the State Planning Committee, head of the leading committee for population census; Whiavu Lobaliyao, member of the party Central Committee, chairman of the Nationalities' Committee; Khamphet Phengmuang, first vice-chairman of the State Planning Committee, head of the population census office; Thongdam Manivan, deputy-secretary of the Vientiane party committee, mayor of Vientiane, and head of the Vientiane population census committee. S. Vongkhamsoo and T. Manivan delivered speeches to the conference reviewing the results of the recent population census. [Text] [Vientiane KPL in English 0907 GMT 1 Jun 85]

MEDICAL CONGRESS--Vientiane, 1 Jun (KPL)--The Ministry of Public Health opened here on 31 May the fifth congress of medical workers under the chairmanship of Dr Khamliang Phonsena, minister of public health. It was attended by 500 medical workers from various hospitals and medical schools and services. Constantin Stepanov, economic counsellor of the Soviet Embassy to Laos, and medical experts from the USSR, Mongolia, Vietnam and Cuba, currently on mission in Laos, were also on hand. The participants exchanged views and experiences on the improvement of health care in Laos. [Text] [Vientiane KPL in English 0910 GMT 1 Jun 85]

SRV PROVINCIAL DELEGATION VISITS--Vientiane, 8 June (KPL)--A delegation of the Vietnamese Province of Quang Nam-Da Nang led by Hoang Vinh Thanh, member of the CPV CC and secretary of the Provincial Party Committee, recently visited the Lao Province of Sekong. During its stay, the Vietnamese delegation was warmly welcomed by Bo-Gneun Leviatmuang, member of the party CC and secretary of the Sekong Party Committee. It also discussed with Lao officials concerned plans for short and long-term economic and cultural cooperation between the two provinces. [Text] [Vientiane KPL in English 0858 GMT 8 Jun 85 BK]

MPR DELEGATION RECEIVED--Vientiane, 8 June (KPL)--Sali Vongkhamsoo, secretary of the LPRP CC, vice-chairman of the Council of Ministers, president of the State Planning Committee, received here yesterday a visiting delegation of the Mongolian-Lao inter-governmental committee for economic, scientific and technical cooperation, led by its vice-president Barsalsav [name as received], who is also alternate member of the Mongolian People's Revolutionary Party CC. During the warm and cordial reception, the two sides expressed satisfaction over the furthering of friendly relations and cooperation between Laos and Mongolia. The delegation arrived here on 6 June on a friendly visit. [Text] [Vientiane KPL in English 0856 GMT 8 Jun 85 BK]

SOVIET PHOTO EXHIBITION--Vientiane, 7 June (OANA-KPL)--The Ministry of Culture, in collaboration with the Soviet Embassy here, is organizing in Vientiane a photo exhibition to mark the 40th anniversary of the victory over Hitlerite fascism and Japanese militarism. Among those present at the opening ceremony on 6 June were Phouvi Vongvichit, Politbureau member of the party CC, vice-chairman of the Council of Ministers and also president of the national committee for celebration of the historical day, and other senior officials. Members of the Diplomatic Corps and representatives of international organizations were also on hand. In their opening speeches, Thongsing Thammavong, alternate member of the party CC, minister of culture, and Vladimir Sobchenko, the Soviet ambassador, spoke of the great victory of the Red Army in their patriotic war. [Excerpt] [Vientiane KPL in English 0901 GMT 7 Jun 85 BK]

BOARD DELEGATION RETURNS--Vientiane, 5 June (KPL)--Bouaphim, deputy-head of the Organizational Board of the party CC, led his delegation back here from a friendly visit to the German Democratic Republic. While there, the delegation conferred with GDR officials concerned on the training of the personnel with the help of the GDR. [Text] [Vientiane KPL in English 0916 GMT 5 Jun 85 BK]

CSO: 4200/1066

MALAYSIA

SABAH LEADER DENIES ALLEGATIONS OF RELIGIOUS BIAS ON REFUGEE ISSUE

HK070646 Hong Kong AFP in English 0550 GMT 7 Jun 85

[Text] Kuala Lumpur, June 7 (AFP)--Sabah Chief Minister Joseph Pairin Kitingan has called for tighter control over the entry of refugees into the East Malaysian state, now home to more than 100,000 mainly Moslem Filipinos. Mr Kitingan, a 45-year-old Catholic whose Parti Bersatu Sabah (PBS) came to power in state polls in April, said religion and race had nothing to do with his government's position on refugees.

"It is in the interest of national security that we control the influx of refugees from Vietnam, Cambodia and other places," he said yesterday.

Oil-and-timber rich Sabah has attracted large numbers of mostly Moslem refugees from the Southern Philippine island of Mindanao, home of a Moslem separatist insurgency, since the early 1970's.

It has few Vietnamese and Cambodians, as most reaching the country have landed on peninsular Malaysia's east coast.

Refugee officials said the inflow was continuing although at a slower pace. The recent arrivals are classified economic migrants and are sent back if intercepted.

Mr Kitingan refuted allegations by his predecessor Harris Salleh that he was against Filipino refugees because they were Moslems.

"We are talking about foreigners and non-citizens whose entry should be controlled irrespective of their religion. Surely we must protect the security of our country. We must be fair to our country," Bernama NEWS Agency quoted Mr Kitingan as saying.

"We are not talking about Moslems or Christians. We are talking about the people of Malaysia in Sabah," he said.

Mr Kitingan said that he was not opposed to the federal government's policy of promoting Islam, Malaysia's official religion, adding that he was only against people who misused religion in politics.

He said that he was aware of cases in Sabah where people converted to Islam for material gain.

This was an abuse of religion, he said.

MALAYSIA

POLICY TOWARD SURRENDERED 'TERRORISTS' DISCUSSED

BK040726 Kuala Lumpur BERITA HARIAN in Malay 29 May 85 p 3

[Text] The government will not give land to former communist terrorists who surrender in peninsular Malaysia as is being done by the Thai Government, due to lack of land. Deputy Home Affairs Minister Radzi Sheikh Ahmad said that even though steps such as this had been discussed and research conducted, the government is currently not considering implementing it. "The decision to give land to former communist terrorists who surrender would also create dissatisfaction among people who are also in need of land. The government, however, is willing to accept communists who desire to surrender and they will be afforded equal treatment, just like any other independent citizen," he added.

According to him, communists who surrender voluntarily with their families have the right to obtain and make use of the various facilities afforded by the government after they have undergone interrogation and rehabilitation. He told BERITA HARIAN that a communist who voluntarily surrenders will be handed over to the Special Branch Police for interrogation before being sent to rehabilitation centers as required by the Internal Security Act (ISA). He said that at the ISA rehabilitation center at Kamunting, near Taiping, they will be given rehabilitation and counselling as preparation for being accepted again by society. He stressed that they will not be subjected to torture or shabby treatment as claimed by several parties.

Radzi disclosed that they will be detained at the rehabilitation centers for not less than 6 months and can only be released by the minister based on the reports of the board of rehabilitation enters. According to him, those who are released have the right to request government aid to help them start a new life. However, the government will not give any special treatment to former communist terrorists, and any request made by them will be approved accordingly. While making efforts to seek a new livelihood, they are also eligible to receive monthly aid from the Social Welfare Department. Before, state governments such as Perak and Pahang had offered land to communist terrorists who gave themselves up, but the practice was stopped in recent years due to several problems arising from it.

However, BERITA HARIAN has been made to understand that the Sarawak government is still continuing the practice of giving land to surrendered communist terrorists because that state still has a lot of land that needs to be opened up.

27 June 1985

MALAYSIA

BRIEFS

AUTOMATIC AIR DEFENSE SYSTEM--The Royal Malaysian Air Force has used an automatic air defense system worth 200 million ringgit to detect and identify all planes over and entering Malaysian air space. The system uses a 3-dimensional long-range radar and the most sophisticated data-processing equipment.

[Summary] [Kuala Lumpur Domestic Service in Malay 1230 GMT 7 Jun 85 BK]

CSO: 4213/250

NEW CALEDONIA

KANAK SPOKESMAN AGREES TO POWER SHARING WITH WHITES

Kuala Lumpur NEW STRAITS TIMES in English 16 May 85 p 16

[Text]

NOUMEA, Wed. — White settlers will have a place in the Government of an independent New Caledonia, a Kanak separatist leader said today.

Edmond Nekirial, a spokesman for the pro-independence Kanak Socialist National Liberation Front (FLNKS), said all whites would have an opportunity to participate in a new Government.

"We have never said we are going to throw the whites out," Nekirial said.

Meanwhile, police are searching for the bombers responsible for three blasts in Noumea on Monday and a fourth yesterday in Thio.

Confrontation

Kanak leaders claim white extremists were responsible and one French official said privately whites had probably planted the bombs.

The blasts followed a street battle in Noumea last Wednesday among police, Kanaks and white settlers in which a Kanak youth was shot dead and 95 people were wounded.

Nekirial said the extreme right was trying to force a confrontation. "Whatever they do here the FLNKS will go for independence."

Nekirial said the FLNKS would decide later this month whether to participate in a French plan for independence which calls for elections in August to replace the territorial assembly.

The setting up of the councils would be an interim step towards a referendum on independence France has promised by 1987. — Bernama-Reuter

PAPUA NEW GUINEA

ISRAELI PRESIDENT TO VISIT IN NOVEMBER

Port Moresby PAPUA NEW GUINEA POST COURIER in English 20 May 85 p 14

[Article by Oseah Philemon]

[Text]

Israel's President, Mr Chaim Herzog, will visit Papua New Guinea in November this year.

The visit, the first for Mr Herzog, is rated as "very important" by both countries, according to the Israeli military attache based in Singapore, Brigadier-General Gideon Avidor, who visited PNG last week. Its aim was to improve relations, he said.

President Herzog's visit will also include Singapore, Australia, New Zealand and Fiji.

Gen Avidor ended a week-long familiarisation visit, his first, last Friday, describing it as very fruitful. He said he was surprised by many things in PNG because Israelis knew very little about the country.

He was impressed with the Papua New Guinea Defence Force establishments he had visited in Port Moresby, Lae, Vanimo and Manus.

Co-operation

"They are well maintained, the officers and men are dedicated and disciplined and the thing I enjoyed most was that you can break down formalities very quickly," Gen Avidor said.

The question of whether the PNGDF would buy new weapons from Israel to re-equip the force was never raised during his talks with the Commander of the force, Brigadier-General Ken Noga, the Defence Minister, Mr Tago and the Defence Secretary, Mr Balthazar Maketu.

"There were no concrete discussions on future defence co-operation between Papua New Guinea and Israel," Gen Avidor said.

"We used our first meeting to get to know each other better, share ideas and experiences and identify possible areas for future co-operation."

CSO: 4200/1030

PHILIPPINES

OPPOSITION MP'S URGE REFORMS IN ALL SECTORS OF GOVERNMENT

HK030935 Manila TIMES JOURNAL in English 2 Jun 85 pp 1, 6

[Text] A former chairman of the Philippine Military Academy Alumni Association said yesterday that the aspirations of the reformist group in the armed forces were "beyond reproach" but that the manner in which the group is seeking such reforms was "deplorable."

In a related development, opposition members of Parliament said the government must prosecute and punish dishonesty, immorality, graft, corruption and all other irregularities not just in the military but in all sectors of government to regain the respect and confidence of the people.

Commodore Brilliante O. Ochoco, coast guard commandant and immediate past chairman of the PMAA, scored the so-called "We Belong" group in the military for making "general accusations that give the unfortunate impression that the military organization is hopelessly wanting in the very ideals that we were trained to live by--courage, loyalty and integrity."

"Those accusations," he said, "were made in a manner that crucified members of the AFP [Armed Forces of the Philippines] before they even had a chance to protect their good name."

He told the Cabu PMA alumni that he is all out for reforms in the armed forces but that it was wrong to say that nothing has even been done to correct the armed forces' ills and flaws.

Ochoco also chided the "We Belong" group for raising their complaints in "propagandist venues" where they should have been coursed through the proper channels in the military chain of command.

By the group's action, he said, the members disregarded military tradition and the requirements of due process in favor of direct action and public display.

He said the strength of the military is assured only by the strength of the chain of command and the willingness of subordinates to submerge their personal needs and desires for the greater good of the service.

The opposition MPS who sought reforms in all sectors of government were Fermin Z. Caram Jr and Arthur Defensor of Iloilo; Wilson P. Gamboa of Negros Occidental; Marcelo Fernan and Antonio Cuenco of Cebu; Hernando Perez of Batangas, Luis Villafuerte of Camarines Sur, Homobono Adaza of Misamis Oriental, Rafael Lazatin and Emigdio Lazatin of Pampanga and Lito Puyat of Manila.

They said "immorality, dishonesty, graft, corruption and all other forms of irregularity in all sectors of government have been principally responsible for the country's sinking into the brink of social collapse."

They attributed the "alarming increase in the country's huge foreign debts now totalling \$30 billion in contrast to less than \$300 million in 1965 to the continued debauchery of the national treasury by unscrupulous presidential cronies and their relatives."

They cited the statement of U.S. Ambassador Stephen Bosworth that at least \$10 billion have been smuggled out of the country through questionable transactions.

The opposition solons underscored "massive irregularities in public works construction, so-called human settlements, projects, imports and exports, loans by government financial institutions now losing but being infused with billions of pesos in rescue funds, and in the sugar industry where over P [Pesos] 16 billion have already been lost since 1973."

CSO: 4200/1026

PHILIPPINES

FORMER FOREIGN MINISTERS URGE MARCOS TO REJECT SABAH CLAIM

HK030850 Hong Kong AFP in English 0829 GMT 3 Jun 85

[By Cecil Morella]

[Text] Manila, 3 June (AFP)--Former Philippine foreign ministers today urged President Ferdinand Marcos formally to withdraw Manila's sovereignty claim over the Malaysian state of Sabah to ease regional tensions.

"This thing is affecting the credibility of the Philippines, because, unless we implement what we announced, the entire fabric of the ASEAN (Association of Southeast Asian Nations) will not improve," former Minister Emmanuel Pelaez told a press forum here.

Mr Marcos has been quoted as renouncing his government's claim over the state which lies south of the Philippines in a meeting with then Malaysian Premier Datuk Hussein Onn at the 1977 ASEAN summit in Kuala Lumpur.

But former Minister Arturo Tolentino told the forum that Mr Marcos' statement was not as it had been recorded.

"What he said was, we are going to take steps to relinquish our claim to Sabah...(and) we have not done anything up to now that would indicate that we are conceding our claim," Mr Tolentino said.

The 23-year sovereignty claim, initiated by President Diosdado Macapagal whom Mr Marcos defeated in 1965, has been straining relations between Manila and Kuala Lumpur, and with other regional neighbours.

It was based on the proprietary claims on North Borneo Island by the heirs of the sultan of the southern island group of Sulu, who said the territory was ceded to them by the Sultan of Borneo in 1704.

The British Government annexed North Borneo in 1946 and it was made part of the federation when Malaysia gained independence in 1957.

Mr Pelaez, who is also a former vice president, added: "I personally believe that we must take the first steps. I would not know what the reaction of Malaysia would be today, but you would never know that unless you open negotiations."

Mr Tolentino, whom Mr Marcos fired in March following a dispute on the president's legislative powers, said the issue could be simply resolved by a bill filed at the National Assembly, but added that "It would depend entirely on the president."

"The president seems to be reluctant at the present time to definitely settle the case," he said.

Mr Tolentino said he had suggested a solution to Mr Marcos, but refused to reveal it. "I think the president is just waiting for the right time," he said, adding that "I also feel that he agrees with the method."

Acting Foreign Minister Pacifico Castro said that "contrary to the notion that nothing has been done, there are conversations." He said Mr Marcos had discussed the issue with Malaysian Premier Mahathir Mohamad in Brunei last year.

"I understand the Malaysians are also showing their forbearance as far as this thing is concerned. And I have no doubt and I am very confident that in the future, there will be a happy solution to this situation," he told the forum.

Labor Minister Blas Ople said there was a "continuing need for the government of Malaysia to reciprocate the new climate of mutual trust between the two countries by actual demonstration of complete good faith with respect to our regional security."

He did not elaborate, but he was apparently referring to the separatist rebellion waged by the Moro National Liberation Front (MNLF) in the major southern Philippine island of Mindanao adjoining Sabah.

The military suspects that Sabah is among the training grounds of the Muslim rebels, and has been the destination of thousands of Muslims fleeing government-MNLF clashes which peaked in the early 1970's.

Mr Castro said conceding the sovereignty issue to Malaysia would not prejudice the proprietary rights of the Sulu sultan's heirs on the island.

"The proprietary claims of the heirs of the Sultan of Sulu is quite well established and recognized in official documents and in a decision of the high court of North Borneo," Mr Castro said.

CSO: 4200/1026

PHILIPPINES

EX-MNLF MEN WARN OF RESUMPTION OF 'JIHAD'

HK041541 Manila BULLETIN TODAY in English 4 Jun 85 p 6

[From "Jesus Bigornia" column: "Ex-MNLF Men Decry Broken Government Promises"]

[Text] Disillusioned Moro National Liberation Front (MNLF) "returnees," deploring government apathy to their plight and suspecting promised benefits hijacked by Mindanao politicians, are about ready to go back to the hills and resume their abandoned "jihad" for a separate Muslim state in the South. Two top ex-MNLF commanders--Linog Balua (Commander Joker) and Nasruddin Bantulang (Commander Rudy), chairman and president, respectively, of the NLG Returnees Association--deny receipt of various norms of benefits. Thier denial was triggered by a statement in this space saying: "When it comes to MNLF rebels, the government is the sucker."

"We admit that upon our surrender, the president signed, in our presence, documents which we were informed were our benefit package as part of our rehabilitation program," the "returnees" write. "We doubt if the president was aware of it but the truth is that those signed documents were never given to us and the money or benefits from those documents never reached our pockets. In short, some people made money at our expense. Worse, the wrong people collected millions of pesos intended for returnees and our followers."

Stymied by "too much red tape" and foiled by "abnormally strict conditions imposed by various ministries," the two commanders say that over the past several years they have been reduced to begging for what is due them. At present, they add, even ex-rebel commanders find it difficult to earn a living, while some "even have a hard time eating three meals a day." They left the conditions in which their hundreds of followers are now living in to the imagination of this column. They report that "many other MNLF commanders were already on the verge of surrendering" but held back upon seeing the "impoverished conditions" under which "returnees" subsist.

The plan of the "returnees" held a sinister warning that government leaders may not dismiss offhand. The two ex-commanders say: "As of now, we can still bear our sorry state but only time will tell when the vows we took upon our surrender not to fight the government again, will break and if that happens, many of us returnees might once again go to the mountains. Perhaps some have even done it already. No one can tell." Faced with a mounting communist re-

bellion, the regime cannot afford to fight off a resurgent sessionist insurgency in the south.

The ex-rebels are not asking too much. They only want an audience with President Marcos. They want to inform the President of their deplorable economic plight and denounce pseudo rebel "leaders" who allegedly siphoned proceeds of exportations intended for their followers into their personal pockets and politicians who "hijacked" benefits for "returnees." Should Malacanang accede to their demands for an investigation, they say, they will name names. But in no case, they add, should a politician, ex-rebel or not, be present at a meeting with the president.

CSO: 4200/1026

PHILIPPINES

OPPOSITION WANTS MONITORING OF FOREIGN LOANS

HK041048 Quezon City ANG PAHAYAGANG MALAYA in English 26 May 85 p 1

[Text] Thirty opposition solons yesterday asked the Batasang Pambansa to direct its committee on appropriation and reorganization to monitor and report government's use of the \$3.925 billion financial package from the country's 483 foreign creditor banks.

The solons, in Resolution 485, also sought to have the use of future trade, financial and credit packages and facilities looked into by the committee which would be required to submit reports to the Batasan.

The opposition solons filed the resolution after noting that the present economic crisis was brought about by what they said was the "gross and flagrant" mismanagement of the economy.

The situation was aggravated by "unchecked squandering of public funds, by extravagant, profligate and wanton spending on ill-conceived edifices and projects, by culpable and immoral disregard of public accountabilities and interests," the MPS said.

Saying that the funds should be used judiciously and wisely, the solons underscored the need for full and public accountability and disclosure of the allocation, disbursement and use of all government and public funds, including foreign loans.

The \$3.925-billion package, signed by Prime Minister Cesar Virata and Central Bank Gov Jose B. Fernandez Monday night in New York, is composed of \$925 million in money facilities and \$3 billion in trade facility.

CSO: 4200/1026

PHILIPPINES

MARCOS ORDERS DEREGULATION OF AGRICULTURAL PRODUCTION

HK030418 Manila Far East Broadcasting Company in English 2300 GMT 2 Jun 85

[Text] President Marcos yesterday [2 June] issued Executive Order No 1028, setting into motion the deregulation of agricultural production and trading, including lifting the price control on rice by 1 October. The policy is in line with the government's efforts to encourage greater food production that would ultimately benefit both farmers and consumers. The policy of deregulation will promote greater private sector participation in the marketing of agricultural products and farm inputs like fertilizers. The price of rice will be lifted effective 1 October as a means of encouraging increased production of the staple by farmers. However, to insure the price and supply stability of rice, the president directed the National Food Authority [NFA] to continue procuring rice at a reasonable support price in order to maintain a desirable buffer stock.

The deregulation move also limited the price stabilization function of the NFA to rice and corn and, where necessary, wheat. The operation of kadiwa [cooperatives] centers and other non-grain operations of the NFA were ordered transferred to the food terminal. To protect consumers, President Marcos said he will authorize the intervention of the appropriate government agency if warranted, as in the case of supply shortages.

CSO: 4200/1026

PHILIPPINES

LABOR MINISTER LAUNCHES DRIVE TO ORGANIZE LANDLESS POOR

HK040515 Manila BUSINESS DAY in English 3 Jun 85 p 12

[Text] Labor Minister Blas F. Ople launched in Dipology City Saturday a major drive to organize the landless rural poor, including farm workers and fishermen, which he said will spread throughout Mindanao and create "buffers of democratic organization" against recruitment drives of the National Democratic Front.

In a dialog with 25 rural workes' associations from both Zamboanga del Norte and Zamboanga del Sur, Ople said fishermen, coconut workers, and kaingineros [slash-and-burn farmers] who organize their own trade unions under the Labor Code will qualify for financial assistance under the P [peso] 20-million aid program of the Labor Ministry and the Land Bank of the Philippines.

He announced that under a decree signed by President Marcos, rural workers for the first time in history "have achieved equality of rights with urban workers" under the Labor Code and may now fully enjoy the right to self-organization.

Ople also disclosed the Labor Ministry program provides for "internal fellowships" whereby rural workers' organizations can be transported to other regions to learn proven techniques of increasing productivity and incomes. He directed the Bureau of Rural Workers to invite selected leaders to Silang and Tagaytay, Cavite, to observe the successful multi-cropping techniques in small coconut farms which have raised the incomes of the farmers there.

A group of workers here will also travel to Bulacan as guests of the Bureau of Rural Workers to observe the production of vinegar from the nipa palm, which is a major industry in Paombong. This province has vast nipa swamps which are only partially exploited for thatching materials.

CSO: 4200/1026

PHILIPPINES

NAVY REDIRECTING RESOURCES, DOING OWN REPAIRS

HK040727 Manila METRO MANILA TIMES in English 1 Jun 85 p 5

[Excerpts] With the cost of buying a warship becoming a luxury, the Philippine Navy has redirected its meager resources to build its own gunboats at a much lower price than it would if another firm would do it.

The Navy Shipyard in Fort San Felipe, Cavite, the largest industrial complex of the armed forces of the Philippines (AFP), is humming with activities all year round, building and repairing its own ships.

At the helm of these activities is Capt Francis Mallillin, commander of the Navy Shipyard, whose unit has been adjudged by the Commission on Audit (COA) as the most productive facility in the entire government services.

To date, the Navy Shipyard has built 40 gunboats, including the Navy's first missile gunboat, the BRP Emilio Aguinaldo--140, which will soon be commissioned.

The BRP-140 is just awaiting the arrival of its engines and naval weapons, which include surface-to-surface guided missiles.

The nine-hectare naval complex is located adjacent to Sangley Point, another naval base acquired by the Philippines from the United States Navy in 1972.

Last year, COA cited the shipyard for the latter's superb performance and 142 percent efficiency of its 1,200 civilian work force.

Lt Cdr Roberto C. Legaspi, commanding officer of the Naval Shipyard Building Facility, said hull preservation takes only two weeks, including repainting of the whole ship.

Legaspi said Filipino naval architects are excellent. Provided all the logistics are available, Filipinos can easily make huge warships," he said.

The shipyard has just finished five 32-foot long coast guard cutters at a cost of P [Peso] 15 million. Each cutter has a cruising speed of 18 knots.

It is now constructing three patrol boats ordered by the Laguna Lake Development Authority (LLDA).

The shipyard is capable of building 2,800-ton ship, but limits itself to smaller ships like the 145-footer BRP-140, the biggest ship it has constructed so far which was finished in 183 days.

It maintains three 1,000-ton and a 20-ton floating cranes, while using the century-old marine slipway built by the Spaniards capable of drydocking small vessels of up to 140 tons.

CSO: 4200/1026

PHILIPPINES

JOURNALIST, SIX OTHERS GUNNED DOWN IN CEBU

HK030346 Manila Far East Broadcasting Company in English 2300 GMT 2 Jun 85

[Text] A radio commentator and six others were killed in three separate violent incidents during the weekend in Cebu. Radio commentator Nabakodonosar Velez and a companion, barangay tanod [guard] Proseco Osorno, were killed by six motorcycle-riding men in Barangay Tisa in Cebu City Saturday night. The victims were gunned down while watching the barangay fiesta coronation rites where one of Velez' daughters was a princess. Both Velez and Osorno died on the spot. The motive of the slayings was not known, but Velez was noted to be a hardhitting radio commentator. The gunslaying was followed 2 hours later by the ambush and slaying of a PC [Philippine Constabulary] major's son and his driver in Bulatao, Pardo, in the south side of Cebu City. Killed were Glin Tiempo, a son of Region 7 PC Adjutant Major Juan Tiempo, and Alfredo Nardo, his driver. Three others were wounded -- Nelson Tiempo, another son of Major Tiempo's, and Rey Bolo and Rogelio Tresoles.

Also in Cebu, police found three unidentified youths dead along the northern highway about 57 kilometers from Cebu City. The youths were each shot once in the back of their heads. They were wearing denim shorts and had no shirts nor shoes.

CSO: 5600/4337

PHILIPPINES

EDITORIAL URGES ACTION ON CRIMINALITY IN ARMED FORCES

HK031015 Manila BULLETIN TODAY in English 2 Jun 85 p 6

[Editorial: "Prelude to a Cleanup"]

[Text] The efforts of the reformists within the armed forces appear to have been vindicated by a report submitted to Lt Gen Fidel V. Ramos by a special joint AFP-INP [Armed Forces of the Philippines-Integrated National Police] study committee headed by Brig Gen Meliton D. Goyena.

The study group found that military personnel in the anti-insurgency campaign engaged in such criminal activities as the gun-for-hire and protection rackets, drug trafficking, bank robberies, gunrunning, smuggling and illegal gambling.

It was reported that soldiers were able to engage in those criminal activities because of the dominant position of their units in their areas of responsibilities and because of their law enforcement functions.

The units came from the PC, Navy, Coast Guard, Aviation Security Command, and the police. The Marines were excluded as the study group found [word indistinct] under an effective leadership.

The findings of the study committee may explain partly the evident increase in the number of insurgents and the new challenge they pose to the armed forces. For when people see the criminal activities of soldiers the temptation to join the ranks of the rebels becomes greater.

Time is of the essence because insurgency has become a national problem. As soon as possible, higher authorities should act on the report of the study group and ground all suspected personnel.

It is not enough that some officers and men are being reassigned or tried by court-martial, for the report implies that even at the rate soldiers are being disciplined a lot more have not been touched by disciplinary action.

A sweeping revamp will restore the confidence of the people in the agents of the law.

CSO: 4200/1026

PHILIPPINES

ENRILE MINIMIZES CIVIL WAR THREAT

HK031417 Manila BULLETIN TODAY in English 2 Jun 85 pp 1, 14

[Excerpt] Defense Minister Juan Ponce Enrile said yesterday there is no need for anybody to panic over the threat of the National Democratic Front (NDF) of the Communist Party of the Philippines (CPP).

Enrile made the statement following published reports based on statements attributed to Labor Minister Blas Ople that an NDF-led civil war was imminent.

At the same time, the defense minister welcomed all efforts from various sectors to "expose the insidious activities of the NDF in spearheading political and socio-economic destabilization under the guise of serving democratic ideals."

The NDF has lately assumed a high-propaganda profile under the covert manipulation and control of the CPP, Enrile said.

He added, however, that "we should not invest the NDF with a capability beyond what it really deserves, citing the total failure of the NDF in drumming up popular support for the so-called "Welgang Bayan" in Mindanao early last month.

"In fact, the NDF had to call on the NPA to terrorize and coerce the people to participate in the strike leading to widespread indignation among the people," Enrile said.

He added that the country is experiencing a high level of violence and disorder caused by the depredations and terrorist activities of the CPP, its front the NDF, and its military arm, the NPA.

But he stressed that while "we will continue to experience bloodshed, disorder, and destruction of property, the situation is not as alarming as being portrayed and we are far from reaching that precarious point where civil war may supervene."

CSO: 4200/1026

PHILIPPINES

28 SOLDIERS QUERIED ON OFFENSES AGAINST CIVILIANS

HK040337 Manila BULLETIN TODAY in English 3 Jun 85 pp 1, 14

[By Jerry Lacuarta]

[Text] San Fernando, Pampanga--A total of 28 soldiers are being investigated even as 15 Civilian Home Defense Force (CHDF) members in Central Luzon had been dismissed from the service of alleged violations of human rights and other offenses.

Brig Gen Jose P. Magno Jr, Regional Unifeid Command (RUC)-3 chief, said nine of the 28 soldiers are facing court-martial for alleged military abuses.

Magno told a press conference that the charges against the other soldiers are still pending before the RUC inspector general's office in Camp Olivas here.

He said the 15 CHDF men who had been dismissed since last January, were allegedly involved in the killing of civilians, extortion, and other offenses in their respective areas.

The BULLETIN TODAY learned that most of the alleged offenses were committed by the soldiers and CHDF members on civilians, whom they had arrested for alleged involvement in the subversive movement in Central Luzon.

While withholding the identity of the soldiers and CHDF men, Magno stressed that he "would not tolerate any abuses of military men against civilian populace in the region."

Magno, as RUC chief, is "answerable" under the principle of command responsibility for any misbehavior by men in uniform in Central Luzon.

He said the move was in consonance with the policy of the administration to remove misfits in the military.

During the conference, Magno also directed the RUC-3 inspector general to also investigate men of the 3d Constabulary Highway Patrol Group (CHPG) for alleged extortion activities from cargo truckers and other motorists along highways in the region.

Magno was apparently irked by reports that CHPG men in Central Luzon have been engaged in extorting money and goods from motorists.

As this developed, Magno urged mediamen to help identify abusive military men so that they could immediately be prosecuted in court.

Among those who attended the press conference were Lt Col Ramsey L. Ccampo, Angeles Metrodiscom commander; Maj Oscar Marcelo, 3d PC [Philippine Constabulary] criminal investigation service commander; and Ltd Col Celestino Marquez, RUC-3 public information officer.

CSO: 4200/1026

PHILIPPINES

BRIEFS

COMMUNIST INFILTRATION OF SCHOOLS--The military is closely monitoring communist summer cadre trainees who might infiltrate school campuses during the opening of classes this month. Colonel Eduardo Ermita, chief of the AFP [Armed Forces of the Philippines] Civil Relations Service, said that during the summer months the Communist Party of the Philippines [CPP] recruited and trained several young people and indoctrinated them on communism. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 3 Jun 85 HK]

1981 MILITARY-STUDENT ACCORD SCRAPPED--Defense Minister Juan Ponce Enrile yesterday [5 June] scrapped an agreement which the Defense Ministry forged with a student group in 1981 after school officials branded it as advantageous to militant student groups. The agreement, known as the Enrile-Sotto Accord, sought to forestall violence during student mass actions. The Education Ministry agreed to formulate new guidelines governing mass actions during a conference in Camp Aguinaldo with top defense and military officials. Enrile said that with the scrapping of the pact, the ministry and school heads should draw up new guidelines that will deal with student protests. In a related development, the military said the main targets of communist infiltration are students, youths, laborers, peasants, and the religious sector. This was gathered from declassified intelligence reports by the Intelligence Service of the Armed Forces of the Philippines [ISAP]. ISAP said that since the lifting of martial law in 1981, student activism has been on the rise because of economic and political problems in the country. From January to May this year, it said 49 student protest actions were recorded in Metro Manila alone. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 5 Jun 85 HK]

SHOOTOUT IN MANILA'S TONDO DISTRICT--Manila policemen fought with three heavily armed men believed to be NPA hitmen along Marcos Road near Capulong extension in Tondo yesterday [5 June]. Two policemen were wounded. One of the armed men, identified as Julius Albaracin, was captured by pursuing policemen. Albaracin's two other companions lost themselves in a cluster of squatter shanties on Marcos Road. The wounded policemen were identified as PFC [Patrolman First Class] George Abiers and Patrolman Herminion Santa Juana. The gun battle occurred when the armed men sprayed with bullets the mobile car of Patrolman Montano and Santa Juana. The policemen were about to conduct a routine check. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 5 Jun 85]

SINGAPORE

BRIEFS

TRADE DEFICIT WITH ASEAN--Singapore's trade with Malaysia and Thailand increased last year from 1983 despite an overall fall in trade with its ASEAN neighbors. The latest statistics by the Singapore International Chamber of Commerce show that the republic's trade with Malaysia and Thailand rose 4.4 percent and 24.4 percent respectively. On the other hand, its trade with the Philippines and Indonesia fell sharply by 28 percent and 40.6 percent respectively in 1984 from a year earlier. Singapore suffered overall trade deficit of \$206 million [Singapore dollars] with ASEAN countries last year as against a surplus of \$1.75 million in 1983. Its exports to the region tumbled 18.2 percent to \$15.7 billion from a record of \$18.4 billion a year ago, while its imports fell 7 percent to \$15.9 billion. The republic's trade with its ASEAN neighbors accounted for 28 percent of its total trade in 1984, compared with 33 percent in 1983. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 4 Jun 85 BK]

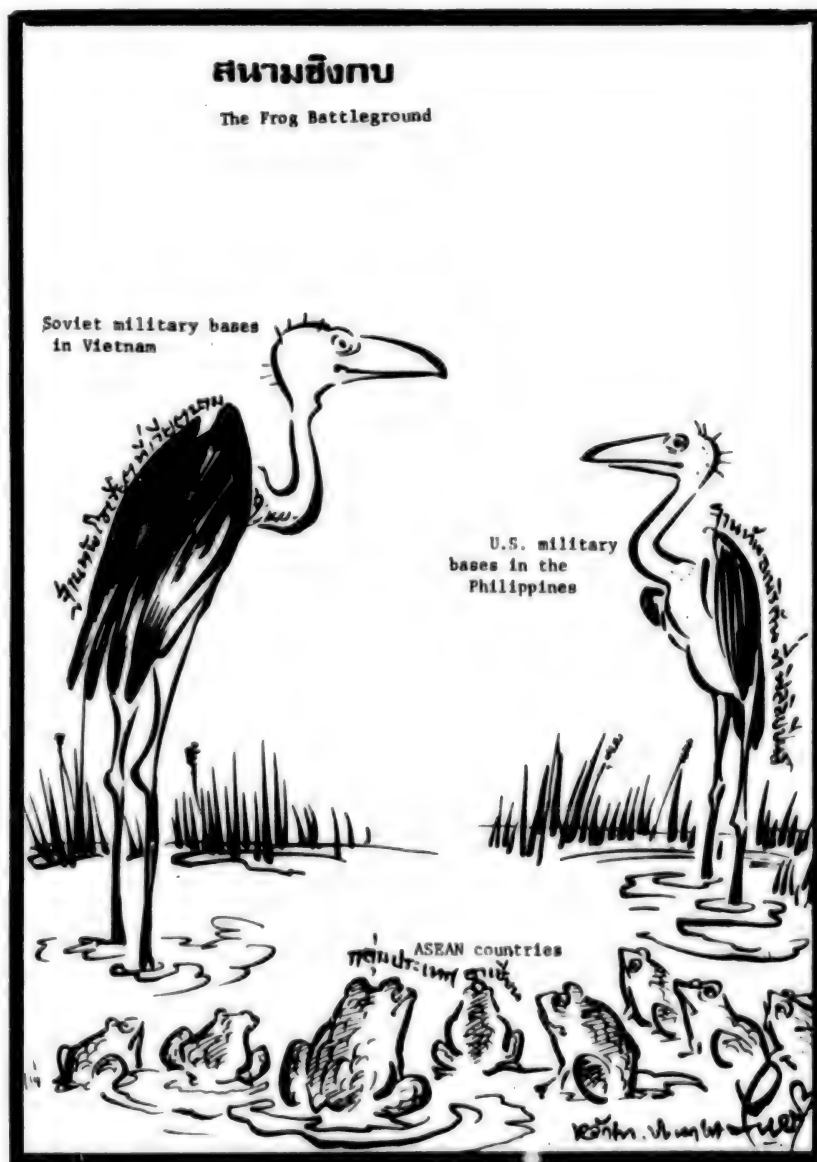
CSO: 4200/1042

THAILAND

CARTOON ON U.S., SOVIET BASES IN SOUTHEAST ASIA

Bangkok LAK THAI in Thai 30 May 85 p 10

[Text]



THAILAND

THAI AIDE CITED ON BORDER SITUATION, ITALY TIES

PM211431 Rome LA REPUBBLICA in Italian 18 May 85 p 10

[Interview with Thai Foreign Minister Air Chief Marshal Sitthi Sawetsila by Gabriel Antonucci in Rome during 15-18 May visit]

[Excerpt] Rome--[Antonucci] What is the situation on the Thai-Cambodia border, the site of serious clashes over the past few days between Vietnamese forces and Thai troops?

[Sawetsila] It remains serious and very tense. The Vietnamese, in an attempt to prevent the infiltration of Khmer guerrillas, are constructing a complex system of fortifications and military roads and have also established long-range artillery installations behind the border. In carrying out this work, the Vietnamese do not hesitate to use huge numbers of Cambodian citizens as forced labor. This has increased the flow of refugees into Thailand, where their situation has become even more critical. It is reckoned that Cambodians alone having sought refuge in our country at present total over 225,000. Many of them are suffering from Malaria, which claims many lives in the camps.

[Antonucci] from the politicodiplomat viewpoint, do you see any hope of peace for Cambodia?

[Sawatsila] The Thai government, together with those of the other ASEAN countries, continues to urge a negotiated solution to the conflict, since it believes that there can be no purely military solution to the Cambodian question. For that matter, the Vietnamese themselves know this, since the Khmer liberation forces are active within Cambodia and are operating against the Hanoi troops' supply lines. We sincerely hope that the EEC--which already supports us--can give us more backing for a peaceful solution to the crisis.

[Antonucci] Who would have to guarantee a future accord?

[Sawatsila] In our opinion, the United Nations, which would have to send a peacekeeping force.

[Antonucci] Could you confirm for us the reports of Prince Sihanouk's resignation as chairman of the Khmer front?

[Sawetsila] Apparently it is not so much a resignation as a period of rest for health reasons. Sihanouk subsequently revealed that he still considers himself leader of the Khmer liberation front. In any case Vietnam's demand that Sihanouk break with the Khmer Rouge in order for peace negotiations to take place is surprising; it is further proof of Hanoi's interference in Cambodia's internal affairs.

[Antonucci] What can you tell us about Italian-Thai bilateral relations?

[Sawetsila] Relations between Thailand and Italy are excellent, and cooperation too is proceeding well, because both sides display good will. My meetings with foreign minister Andreotti were particularly cordial. Apart from the problem of Southeast Asia, on which there [is] a broad convergence of viewpoints, we spoke at length about technical and economic cooperation, especially in agriculture and electrification. President Sandro Pertini also showed great interest in my country. Last, I have greatly appreciated Italy's specific commitment to helping the refugees in Thailand.

CSO: 4628/4

THAILAND

GENERAL ON ACADEMY CLASS 5, TURKS, PREM STRENGTH

Bangkok WIWAT in Thai 14-20 May 85 pp 12-17

[Interview with Maj Gen Phuchong Nilakham, the commander of the Artillery Division; date and place not specified]

[Text] Members of Chuchomklao Royal Military Academy Class 5 include Maj Gen Suchinda Khraprayun, Maj Gen Isaraphong Nunphakdi, Maj Gen San Siphon, Maj Gen Wimon Wongwanit and several other officers who together command more than 10 divisions. Among these is Maj Gen Phuchong Nilakham, a very important member of this class. Maj Gen Phuchong was born on 23 July 1933 in Lampang. However, he attended secondary school in Bangkok. After graduating from the Chulachomklao Royal Military Academy [CRMA], he held the following important positions: assistant operations officer and operations officer (J-3) with the 5th AAA Battalion, commander of the 4th Artillery Battalion, chief of staff of the 1st AAA Regiment, deputy commander of the 1st AAA Regiment, commander of the 1st Royal Artillery Regiment, deputy commander of the AAA Division and commander of the Artillery Division, a position that he has held since 1 October 1984. As for political positions, he was appointed senator on 22 April 1985. He played a very important role in suppressing the 1-3 April 1981 rebellion. What is important is that since 1982, he has had the trust of the army, and Gen Prem Tinsulanon, the prime minister, entrusted him with the task of investigating the attempted assassination of Gen Prem and related cases.

[Question] There are some people who do not understand why members of CRMA Class 5 have become divisional commanders all at the same time. Would you explain this?

[Answer] I can tell you in all honesty, and you can check the facts for yourself, that CRMA Class 5 officers and officers from other classes have risen in position in stages. What I mean is that those who have

become deputy [commanders] have a chance to become divisional commanders. Thus, regardless of whether it is class 5, 6, 7 or 8 or some other class, soldiers say "khun pai cho" and so they have to rise in position.

I will give you an example. Look at the secretary of the army (Maj Gen Naritdon Detchapradit). When he was a special colonel, he was appointed secretary of the army. When the army opened up more positions, his superiors did not promote any of the many others who were senior to him. They had to rise in turn by stages. Last year, members of CRMA Class 5 were promoted. Everyone was appointed to a higher position that represented a natural advance for them. I want to tell everyone who has read about or heard rumors about this that today's officers do not persecute or attack others in order to leap ahead. That does not happen. People do not do that. Those who rise to the top today must do so in stages. That definitely does not happen.

Thus, in 2-3 years, members of Class 8 will rise. Why? It won't be the influence of anyone or because someone is supporting them. They will rise naturally along their line. If you look at the backgrounds of people, you will see that many of those in classes 6 and 7 are not in positions that will enable them to rise. This is because these people hold positions that I refer to as level 3 and level 4 positions. How many members of Class 8 are divisional commanders? Many are deputy divisional commanders. Members of both Class 6 and Class 8 are deputy divisional commanders. When today's commanders leave their positions, Class 6 officers will be promoted first. Class 8 officers will have their turn later. This is how we view things. People have to rise in turn. Class 5 officers did not rise because of exerting pressure on people or because of knowing people. Don't believe such things.

[Question] Some think that this is a game being played with the prime minister. That is, this group of soldiers is being used to balance the forces.

[Answer] That is definitely not the case. I want to affirm that we, that is, the members of CRMA Class 5, are loyal to and have confidence in our superiors, and we are kind to our subordinates. For example, if I wanted to destroy [the career] of a subordinate or if I was prejudiced against a junior class, I could tell them that I could do this as the divisional commander. That is, I could file a report stating that they could not serve under me. They would have to take another position and would be unable to advance. Thus, some articles that are written may sway the minds of those who are easily influenced.

But don't forget that after rising to higher positions, we have to act properly. Because regardless of which class it is, whether Army Preparatory School class 5, 6 or 7 or CRMA class 1, 2, 3 or 4, it's like a tree shedding its leaves. If we destroy the capable people, or if we destroy our human resources, the army will be crippled. Thus, people shouldn't write that a class is being supported by someone. That is not the case. We have to respect our superiors. Junior officers

have to respect their superiors. This is what the military is like. Junior officers understand this. There won't be any problems if junior officers understand what I meant by trees shedding their leaves. Do you understand? As the divisional commander, I am trying to upgrade my subordinates and develop them in every way. Besides trying to develop our units and subordinates, we are doing everything possible to modernize the army. I wouldn't do anything [to harm my subordinates]. I will be the divisional commander for only a short time. If I don't upgrade my subordinates and develop their capabilities, our units will have trouble. The army will have problems. Thus, people don't have to write such things. That is not beneficial.

[Question] It may be because of the timing. There have been strong political currents.

[Answer] Do you remember when I talked about the position of senator? Do you remember that I said on 1-3 April.... Actually, I don't want to say any more about that or that period. I said everything that I had to say at that time. At that time, senators were appointed improperly. Battalion commanders were senators. They were just lieutenant colonels. This was the case even though deputy regimental commanders, who would soon be generals, were not [senators]. Regimental commanders were senators while deputy divisional commanders, who were senior to the regimental commanders, were not. And divisional commanders were senators while commanding generals and deputy commanding generals [of army areas] were not. You can ask senior people in the army about this. We asked them to correct this. The chiefs of divisions were senators but the under secretaries of ministries were not. Do you think that that was right? We wanted to change this for the common good.

Thus, I want to tell you that people obtain things in stages. Things proceed in stages as I indicated in my example.

[Question] At the end of last year when things became complex, some people felt that CRMA was the prime minister's base since he was the center of the class. Is CRMA Class 5 the power base of someone?

[Answer] I can assure you that CRMA Class 5 as well as the supreme commander and RTA CINC and all officers support the government. Some people have written things that are harmful to him. That is, they have tried to cause a split between the two [Prem and Athit]. The supreme commander and RTA CINC has frequently said that he doesn't know why they are writing such things since he is loyal to and respects the prime minister. The only thing is that Gen Athit has very little time to go pay his respects to or chat with anyone. He spends much time at the border, and there are many problems that require his attention. He has constantly tried to help and so some people have wondered what he is doing. I tend to blame them for interfering in everything. Things aren't like that. Do you understand? Don't forget that every branch must help. The RTA CINC and supreme commander is doing everything that he can to help the government.

Thus, I can tell you in all honesty that neither CRMA Class 5 nor any officer in the army is a base for a particular person. Don't forget what I said about the trees shedding their leaves.

[Question] It is not a power base for any particular person, is that right?

[Answer] That is not the policy of the supreme commander. I don't mind telling you that. Because he often says that everyone must help the government and the people in general. We must all help the country.

[Question] Take the cases in which there was disagreement between the government and the military, particularly the matter of the extension, for example. Did CRMA [Class 5] have a different view?

[Answer] No. No. You shouldn't say that. You don't have to ask that. There was no disagreement or anything of the sort. But we always knew and said that the prime minister would have to grant the extension. There wasn't any need to beg for this; he had to grant the extension. What I said just a minute ago is in line with this. We did not say anything about this because we understood the situation. We understood their feelings and how they really felt about each other. We knew that he would grant the extension. It's just that the time was not yet ripe. Your views on this are incorrect. Why would we do anything to cause problems?

[Question] But as for means, there have been such activities, haven't there?

[Answer] I haven't said anything about anyone's methods. I haven't said anything about that. Both of these people are honest and upright people. Sometimes, students at staff school say, don't do anything to cause alarm. Do you understand? Don't do anything to cause alarm. Don't take a pessimistic attitude. Both have a good understanding. The traffic in our country is terrible and the environment is polluted. It all depends on who can put up with this.

[Question] A poisonous environment is dangerous.

[Answer] Obviously. It's dangerous for anyone who gets near.

[Question] They may be very alarmed by this.

[Answer] That's correct. That is why I say that worrying like this will just make the senior people on both sides more uneasy.

[Question] Observers have noted this and feel that this has caused a split or rift in the military.

[Answer] They may think that but that is not true. I can assure you that there is no friction between the prime minister and the supreme commander. But the prime minister is a reticent person. People have criticized him for that. But don't forget that the person who governs the country must be very careful and circumspect. He can't do anything he wants. The prime minister must watch all factions to see if they approve of what he is doing. He has his own plans. He knows what he is doing.

[Question] Another matter is the competition between Lt Gen Chawalit and Lt Gen Phichit. It seems that CRMA Class 5 supports the former over the latter.

[Answer] As for this, I can answer you without hesitation. I have already told you that "trees shed their leaves." I would like to add that the deputy chief of staff, that is, Lt Gen Chawalit, has said that he will retire at the age of 55. Do you remember? He said this to show people that whoever replaces him will be another "leaf" in his place. It's true that Lt Gen Chawalit and Lt Gen Phichit are about the same age and are due to retire at the same time. This is the good quality of senior people. Do you understand? There is no need to get excited. I can assure you that we have not exerted pressure on anyone. Whoever has done a good job will have a good chance to advance.

Lt Gen Chawalit has said that he will retire at age 55. I can assure you that he is serious. I am speaking with you frankly and without hesitation. Thus, don't be worried about how sincere he is. Both Lt Gen Chawalit and Lt Gen Phichit are in the limelight. We support and respect both of them. He plans to retire around 1987. If he retires at age 55, he would be [RTA CINC] for only a year or two. Suppose that today's military leaders all retired in 1986. Lt Gen Chawalit would serve from 1986 to 1988. That would be long enough. There wouldn't be any problems.

[Question] As for the political position of senator, what is CRMA Class 5's position on being a senator?

[Answer] I will tell you frankly that some newspapers, or some people, think that the Senate is a rubber stamp. But I do not agree. There is no guidance. We are not told what to do. I am being frank with you.

Don't worry too much. The powers and rights of senators are within the system. There is nothing to worry about. But I don't mind telling you that those in parliament shouldn't interfere with us. That's all I will say. I respect everyone. I respect the institutions and people. Thus, there isn't any cause for concern. We will do things based on the trust that has been placed in us.

[Question] After parliament convened, Deputy Chief of Staff Chawalit said that there are frightening factors that could lead to a coup d'etat. What is your view on this?

[Answer] O.K. As I have told you, anything can be a factor. At present, if we can put out the fire, it won't spread. We all know why the French Revolution took place. And there is the share fund matter, which is very serious. This now affects thousands of people. The state has had to protect the public. It had to issue this royal act in order to protect the public. If the fire is not contained at the very beginning, many ignorant people will be hurt. These people did not have money and so they pawned and sold goods to buy shares. They are poor. If they lose their money, do you think that they will be able to survive? And if there are millions of such people.... Lt Gen Chawalit was probably referring to this. If this is allowed to continue, it will be a factor.

[Question] He also mentioned the economic situation. Such problems are a factor, too.

[Answer] Yes. There are a whole host of problems at present. There are economic and social problems. There are problems along the border. There are both domestic and international problems. We are besieged by problems. If serious problems crop up, who will be able to bear it?

[Question] What is your view on the present administration of the country. Is a coup d'etat the proper way to solve the problems?

[Answer] No one, whether a member of CRMA Class 5, a senior officer or a junior officer, is considering or thinking about staging a coup d'etat. Thus, since we all want a democracy, we have to help each other solve the problems and develop. Regardless of what the problem is, we all have to help solve it. We can't do anything that would make the problem worse. That would lead to disaster.

Let's consider just the border problem. What are we going to do? What can we do to solve the refugee problem? Do you think that the help provided by the United Nations and other countries is sufficient? If it isn't, we will have to spend our own money. Do you think that that is right? Millions of our own people are still poor. How do you think they feel about this? Thus, whenever this problem arises, don't talk to the military, the government or the opposition. All factions must help solve the nation's problems. People must not cause more problems. That is the way things should be, right? Stop thinking that CRMA Class 5 will stage a coup d'etat.

[Question] Some members of CRMA Class 5 have said that they want to stage a coup d'etat. But whether that is the desire of the majority is another matter.

[Answer] Things would have to be very bad. If the public makes great demands, that is up to them. It might be better to go ahead. But if the people take action themselves, the public good will be destroyed. There is no possibility of that. That will not happen. That is the good fortune of the country. I don't have such terrible thoughts. Do you understand?

[Question] Then in general, soldiers have no such plans. Is that right?

[Answer] Yes. And not only my group. In particular, the supreme commander [has no such plans]. He is trying to use legal measures. You can see that he has not used his power to trouble others. Thus, you shouldn't criticize him. He is trying to do things based on the law. This is democracy.

[Question] Thus, there is no reason for the people to be frightened.

[Answer] You can stop thinking about that. Just stop thinking about a coup d'etat. Show a little restraint and be frugal. If we help ourselves, there won't be any problems.

[Question] What about a no-confidence debate? Will there be any problems?

[Answer] No, there won't. I admit that an opposition party must fulfill its duty. But is an opposition party responsible only for opposing things? Is an opposition party supposed to oppose everything, good and bad alike? By law, or based on the constitution, they are supposed to oppose things. But don't forget what I said earlier. Today, we must all unite to solve the problems. The problems facing the nation today are not just our problems. They are international problems. When an opposition party feels a certain way, it should hold a no-confidence debate to help the state solve the problem. Or it might not be necessary to hold such a debate. The leader of the party can meet with the prime minister. This is a way to solve the problems. I think this is a more constructive method. I think that holding a debate to topple the government is a destructive method. It's like a football team and those watching. Those who are watching do not know what plans the coach has made. Nothing good will come of just listening to the fans. The government will have problems since it will have a "coach" who is waiting for guidance. They have to follow the plan that was formulated and support it. If I give you a pair of shoes, can you play? You might run out of energy.

A second problem is that the opposition parties are not clever. Do you think they can beat him? If you can't beat a person, why would you get into a fight with him? You would just suffer for nothing. You would lose your reputation and everything else. And you would turn things into a major affair, wouldn't you? Can you beat him? Why don't people have political courtesy? If you think you will be defeated, why would you get into a fight? You would suffer for nothing. People would say that it serves you right. There should be a more constructive

way to help the public and the country instead of wasting so much effort in such a fruitless manner. These are all senior people whom I respect. But frankly, I don't want to get involved. Before I would get involved, things would have to be very bad.

[Question] Is there any chance that the prime minister will resign?

[Answer] What drivel. Our country still lacks leaders. We lack political leaders. Think about who would replace him. If the prime minister resigned, who would replace him? If you say the leader of a large party, are you sure that people don't know what is going on? Do not think that an opposition party can form a government just because it wants to. If you look back a few months, you will realize this. The person who forms a government must be patient and circumspect and highly skilled in forging unity.

[Question] In your view, the government has the support of both parliament and the military. But what can be done to solve the problems?

[Answer] You have touched on something that I would like to talk about. The government, the political parties that support the government and the military, which supports the government, are all very stable. But all factions must help. If we want a perfect democracy and a peaceful country, we must all help. We must all help solve the problems. Another thing is that everyone must be patient for awhile. If a problem is brought to the attention of the government, the matter should be presented in a constructive manner. If people create problems for the government, the government won't have time or an opportunity to develop the country.

[Question] How sure are you that this administration will complete its term?

[Answer] Very sure. I think that everything will be all right if we all--and by that I mean all sectors--help each other and if we try to correct the government's weaknesses in a gentle and proper manner.

[Question] Would you summarize your responsibilities in investigating the attempted assassination of the prime minister and the RTA CINC and supreme commander?

[Answer] I have finished investigating the attempt on the life of the prime minister. The court has already sentenced the defendant. But that case has had such broad ramifications that the army has abolished that headquarters and let the Suppression Division handle matters. I am no longer involved. The matter is in their hands. But since I was involved in investigating that case, I want to warn such people to give up such ideas. The compassion and kindness of senior people and of my group has its limits. We will not be like that all the time. Thus, people must abandon such ideas. What is most important is that people must not think that they can conceal their evil behavior from others.

[Question] In short, the Suppression Division is now handling the case stemming from the attempted assassination of the prime minister. Is that correct?

[Answer] Yes.

[Question] What about the arrest of young turks at the end of 1984?

[Answer] That matter has still not been resolved. The only thing I can tell you is not to play with fire. This will die down naturally so don't stir up things again. This is bad for all those concerned.

[Question] Will this matter come to a close or does that depend on the situation?

[Answer] It depends on the situation. I just told you that there is a limit to compassion and kindness. Thus, people should stop [engaging in improper activities].

[Question] Some people say that Class 5 is trying to persecute Class 7.

[Answer] We are definitely not doing that. We are not trying to persecute anyone. But if anyone thinks that we are, they can sue us immediately. There is no need to wait. This matter should be over by now. Nothing more needs to be done. Nothing more needs to be said about this.

A moment ago I said that no one is being persecuted. You can print that. I will stake my life on that. I will stake my position on it. The court can decide the issue. The court can settle the issue once and for all. Anyone can challenge me, but they must stake their life. Once the matter reaches the court, they must let the court decide the issue.

[Question] What about allowing the young turks to return to government service?

[Answer] I like those who left government service. I feel sorry for them. At one time, they had high political ambitions. I feel sorry for them. But don't forget that everything today.... When Prachak asked for forgiveness, Lt Gen Chawalit said that no one would block them. Rather, they are being blocked by the rules and regulations and the royal decree. That is, what is blocking them is the law. Please understand that. Don't misunderstand. We are educated people. Our behavior shows that. It isn't necessary to blame people or cause confusion. I have read the laws, regulations and royal decrees. Everything can be found in the laws.

Don't forget that those who are dismissed cannot return to government service. They know this and so why are they causing such trouble? These people hope to be reinstated using powers illegally. Who would

do that? Thailand is now a democracy, not a dictatorship. If you want to urge the prime minister to be a dictator, he can do so just by signing his name. But will the prime minister do that? He likes to compromise and has constantly supported having a democracy and so there is no chance of that. This is something to think about.

11943

CSO: 4207/220

THAILAND

VOFA RIDICULES LAO SUPPORT FOR VIETNAM

BK040628 Bangkok Voice of Free Asia in Lao 1230 GMT 30 May 85

[Article: "Who Has Caused Crises in Southeast Asia?"]

[Text] After carefully studying the current situation in Southeast Asia, one realizes that all crises and confusion have existed since North Vietnam invaded and occupied South Vietnam by force in 1975. Later, it extended its influence to Laos and Cambodia. Prompted by the patriotic Cambodian people's realization of its tricks, Vietnam, displaying its true nature of colonialism and imperialism, sent soldiers to attack and occupy Cambodia and concocted the Heng Samrin puppet government to rule the country under Hanoi's backstage supervision.

The Vietnamese imperialists' acts against Cambodia run nakedly counter to the UN Charter and international law. These acts have caused crises in Cambodia. Meanwhile, Thailand and other ASEAN countries have jointly sought ways to resolve problems in Cambodia through peaceful and diplomatic means. This joint effort has been accepted and supported by various nations, including the majority of UN members and various international forums. These countries have condemned Vietnam and its inhumane and unjust activities and have called on it to withdraw its forces from Cambodia in order to give the Cambodian people an opportunity to determine their own fate. Nevertheless, instead of heeding the world's opinion, Vietnam has intensified its suppression of the innocent Cambodian people. This action will only enable the world's people to understand Vietnam's stubbornness, reactionary nature, and bellicosity. As a result, Vietnam will be increasingly isolated from the world community.

Despite the fact that the Vietnamese imperialists' depravity has been revealed daily, some countries are acting like the deaf and blind and refuse to acknowledge the truth. One of these countries is Laos, which has in fact been invaded and occupied by Vietnam as well. Yet, Vientiane leaders have expressed an attitude that runs counter to the true situation, particularly to the feeling and desires of the Lao people, who want to see their fatherland truly independent and free from foreign influence and power.

In his speech at the farewell banquet held on 27 May in honor of a high-level delegation of the Vietnamese imperialists led by Truong Chinh, who was on a 6-day inspection tour of Vientiane and Luang Prabang, Lao President Souphanouvong charged that some countries in Southeast Asia have supported the extension of Chinese influence in the region while Vietnam, Cambodia, and Laos are trying to create peace, stability, and cooperation in the region. He also said that Laos has adhered to a policy of friendship with neighbors, despite differences in political doctrine.

Souphanouvong's statement can be interpreted as an effort to turn black into white. All conscious people know well who is really jeopardizing peace, stability, and security in Southeast Asia. Thailand and ASEAN have adopted a correct and open policy of making friends with all countries and to create progress and prosperity for the people in their countries and other nations in Southeast Asia as a whole. Regarding Laos' policy of being a good friend of its neighboring countries, it can be clearly seen that Laos' actions run counter to its words.

During the past year or more, the Lao Government's printed material and mouth-pieces have ceaselessly attacked Thailand on the problem of the three villages at the Thai border province of Uttaradit, despite the fact that the Thai side has practiced restraint and sought ways to resolve the problem through negotiations. In fact, it is apparent that in finding fault with Thailand recently, Laos was trying to serve the interests of foreign countries, particularly Vietnam, in its campaign to reduce the number of supporters for Thailand's application for a nonpermanent member of the UN Security Council and to cover up Vietnam's acts in attacking the Cambodian people along the Thai-Cambodian border. In addition, Laos' pitiful effort was aimed at diverting the Lao people's displeasure with Vietnam in occupying their country and in unilaterally changing the Lao-Cambodian borderline in Vietnam's interests.

Regarding the presentation of the problem of the three villages to the United Nations, the Lao permanent ambassador to the United Nations and the Lao Foreign Ministry knew nothing about it. All actions were taken by Vietnam.

Moreover, in meeting with foreign diplomats, Souphanouvong and other Lao leaders have frequently claimed without any shame that Thai territory in northeastern Thailand belongs to Laos. In fact, the land that is now called Laos was once part of Thailand in ancient times. Thailand's loss of the land that is now Laos was due to France's threats not long ago. However, Thailand has never pursued any imperialist idea as Lao leaders now have. On the contrary, Thailand has always honored Laos as an independent country having blood relations with Thailand. Every time Laos or the Lao people were in trouble, Thailand and the Thai people always extended assistance to them. Even Prince Phetsalat, who fought to regain independence for Laos, and Prince Souphanouvong himself once came to seek shelter in Thailand and returned to Laos after the situation in their country became normal, thus giving Prince Souphanouvong a chance to assume his current position as president of Laos.

The Lao people's flee from troubles to seek shelter in Thailand may stem from an instinct of the Lao people. At present, more than 70,000 Lao people have fled their country to live in Thailand. Yet, it is surprising that the Lao Government is not interested in seriously accepting these refugees in their homeland. On the contrary, it has charged through its printed material and mouthpieces that Thailand has evacuated the Lao people from the three villages in the Thai border province of Uttaradit. In fact, from interviews conducted by representatives of the International Red Cross, some 1,000 Lao people voluntarily left Ban Klang, Ban Mai, and Ban Sawang to stay in areas arranged by Thai authorities. These people refused to go back to live in Lao territory.

All this clearly reflects the nature of Lao relations with Thailand--relations in words without any sincerity. This also shows that Lao leaders have been influenced by Vietnam, which is responsible for creating tension in Southeast Asia.

CSO: 4206/139

THAILAND

GOVERNMENT 'SET TO REPULSE' NO-CONFIDENCE MOTION

BK010209 Bangkok THE NATION REVIEW in English 1 Jun 85 pp 1, 2

[Text] The government is all set to repulse a renewed political offensive aimed at four well-known Cabinet members next Wednesday, with government whips assigned to go all out to prevent the opposition Chat Thai Party from driving a wedge between the coalition partners.

Pro-government sources admitted that the opposition's decision to drop Prime Minister Prem Tinsulanon from the no-confidence motion, resubmitted to House Speaker Uthai Phimchaichon yesterday morning, and train their guns at individual Cabinet members of different political parties was a politically sensitive counter-move.

"We thought that if Premier Prem was to be the main target, most MPs would vote for him after the no-confidence debate. But with four Cabinet members of different parties, with separate votings, things could change," one highly-placed source said.

The government's strategy now is to get all the whips to work hard to ensure voting along "the right lines."

Prime Minister Prem simply gave a nod in response to reporters' questions on whether the government would accept 5 June (next Wednesday) as the date set for the no-confidence debate against the four ministers. He declined to make any comments.

Finance Minister Sommai yesterday shrugged off the opposition plan to grill him. "I feel comfortable and envisage no problems," he told reporters.

He said it was unlikely that a Cabinet member would step down as a result of the no-confidence debate.

Sommai evaded a question on whether he would resign to pave the way for a Cabinet reshuffle.

"Do you want me to stay on or step down? If you want me out, then you can sign a petition," he said.

Government spokesman Trairong Suwannakhiri confirmed the point, saying that the government had raised no objection to the decision by House Speaker Uthai Phimchaichon to place the no-confidence motion on the agenda for a special session of the House on Wednesday.

"We don't need any more time to brace ourselves for the debate because all the four ministers marked in the new no-confidence motion are among the eight Cabinet members covered in the first motion," Trairong told reporters at Government House.

The targets of the Opposition move are Finance Minister Sommai Huntrakun, Commerce Minister Koson Krairoek, Communications Minister Samak Sunthorawet and Industry Minister Op Wasurat. Dropped from the initial no-confidence list were Prime Minister Prem, Interior Minister Gen Sitthi Chirarot, Agriculture Minister Narong Wongwan and Deputy Agriculture Minister Prayut Siriphanit.

The spokesman, welcoming the opposition move, said that a no-confidence debate--be it aimed at the whole Cabinet or individual Cabinet members--would be healthy for the country as it would reflect the government's performance and lead to redressing possible flaws in the administration.

Asked whether the Cabinet will be reshuffled after the no-confidence vote, Trairong said the premier and coalition partners would jointly settle the question. He commented that there were several factors involved, including the outcome of the no-confidence debate, the subsequent political situation, public attitudes and pressure within coalition partners.

CSO: 4200/1034

THAILAND

DROPPED MOTION AGAINST PREM SAID 'GOLDEN CHANCE'

BK030050 Bangkok THE NATION REVIEW in English 3 Jun 85 p 4

["Thai Talk" column by Suttichai Yun: "Pa Prem Suffers From 'Over-Protection'"]

[Text] The pro-government parties should not have tried to "kill" the original no-confidence motion filed by the Opposition against Prime Minister Prem Tinsulanon at all. They obviously did not realize that it could have provided a once-in-a-lifetime chance for General Prem to become the country's statesman, instead of just a nice, honest and likeable compromise choice.

Why some of the advisers and personal aides should have tried to "protect" the premier from the no-confidence debate was simply beyond my comprehension. The supposed "protection" probably turned into something else and now that golden chance has eluded the prime minister.

The new Opposition strategy to pick the most outstanding, if not controversial, Cabinet members for the grilling may well play into the hands of Chat Thai and many so-called "Pa's associates and sons" will be sorry that they tried so hard to defer the censure motion.

Some of the aides continue to believe that General Prem has to be left "untouched" and that he could not stand public criticism. No doubt, out of that sense of loyalty, the people around Pa Prem worked days and nights wracking their brains to make sure that he would be spared from the no-confidence debate.

They are all wrong. If they had really loved Pa, they should have come up with a totally different strategy to confound the Opposition. They should have put Pa Prem on a pedestal and turn him into a leader who could unleash a political offensive that would shame the Opposition into performing its duty more effectively.

I would have relished the sight of General Prem, stepping up front in Parliament to declare in a no-confidence session: "The buck stops here. Let me answer your questions, gentlemen on the other side of the fence. I have nothing to hide and if there are any questions in your mind, let me respond. And at the end, let all the people's representatives in this House cast their ballots on me. If I fail the test, I am stepping down. And if I pass, let me buy the Opposition this evening's dinner..."

I am in no way joking. The prime minister has been in this post for more than 4 years and whether he likes it or not, he has been politicized to a great extent. In other words, Pa Prem has graduated, except that he never was given a real test because his aides did not have the courage to face facts.

Pa Prem should be angry at them for not having sufficient confidence in his ability to face the Opposition which poses no threat one way or the other anyway. The worst that could happen would have been a few embarrassing quiet moments. But then, that is the prime minister's most valuable political asset. He knows when not to speak.

The aides also committed a serious political error by barring the proposed live broadcast of the no-confidence session. For some reasons, some amateur advisers to the prime minister still have the strange apprehension that MPs would try to "score marks" if they knew they were speaking to the public through the live broadcast. They should also realize that when MPs are aware that the whole country is listening, they cannot just talk nonsense. They know their credibility is at stake. At the same time, the prime minister has a lot to tell the people in public. The people want to know--and have the right to know--what the government is really up to.

Pa Prem has nothing to lose by taking up the challenge and stun the Opposition and the whole country by making it clear to the public that he is in charge. If he is not, there is no reason why he should stay on.

There was no need to get rallies around the country to condemn the Opposition's no-confidence motion. There was no need to resort to technicalities to neutralize the Opposition's move. There is, in fact, every reason to believe that the prime minister, with the coalition partners looking increasingly inside as the general elections are only two years ahead, must put his food down and exercise his political clout and bargaining power, if he really possesses them, that is.

And there was no reason for the premier's political advisers and aides to propose a Cabinet reshuffle to deviate public attention or to ease the so-called political tension caused by the Opposition's no-confidence motion while in fact the pressure to take that step has come from within the coalition partners themselves.

The public has been accused of being "bored" with the old faces in the Cabinet. That's unfair--passing the buck onto the public which has been made the scapegoat. If the public is "bored," it is not with the old faces. Rather, it must have something to do with their performance.

The boredom actually comes from those MPs in political parties who have been promised portfolios. They thought they had been waiting for far too long. And that is not the problem that concerns public interests in any event after all.

It is perhaps still not too late for the prime minister to step out and deliver his "State of the Union" to inform the country as a whole as to what is actually happening--and not just lengthy official statements full of bureaucratic jargon

about all things nice. He should make a political statement and politics is about people. There is nothing wrong with it. The people could then fire back political question.

If the Opposition isn't interested in that sort of thing, the people in general are. The sense of restlessness, and not the alleged "sense of impatience common to all Thais," is the crux of the problem. If the government doesn't feel obliged to answer to the Opposition, it certainly is duty-bound to keep the people informed.

And that is not asking too much, is it?

CSO: 4200/1034

27 June 1985

THAILAND

OPPOSITION MP URGES PREM TO RUN IN BY-ELECTION

BK040145 Bangkok BANGKOK POST in English 4 Jun 85 p 3

[Text] Outspoken MP Piyanat Watcharaphon yesterday dared Gen Prem Tinsulanon to run in the Nakhon Ratchasima by-election, saying the Chat Thai Party will stay out if the prime minister agrees to enter the race.

"I have always felt sympathy for his being the butt of repeated criticism (against his appointment as prime minister despite his non-MP status) and for his having to constantly rely on other people's support to remain in his post," said the Sisaket MP.

Mr Piyanat also quoted M. R. Khukrit Pramot, leader of the chief coalition partner Social Action Party, as having said that the prime minister's only weak spot was the fact that he was not an elected House representative.

If General Prem decided to run in an election, his action would help "upgrade" the Parliament, said Mr Piyanat, who is also deputy House Speaker.

He added that if General Prem had trouble deciding on which political party to run for, he could simply apply for membership in all the four coalition parties.

By doing this, General Prem would be able to keep his seat in the House should any of the four parties decide to expel him later, Mr Piyanat said.

General Prem simply smiled when asked by reporters yesterday whether he would contest the by-election in Nakhon Ratchasima, where he is believed to be very popular.

CSO: 4200/1034

THAILAND

EDITORIAL ASKS REASON FOR BROADCAST CANCELLATION

BK050127 Bangkok BANGKOK POST in English 5 Jun 85 p 4

[Editorial: "Why This Sudden Broadcast Ban?"]

[Text] The government's abrupt reversal of its decision to allow the broadcast of even an "edited" version of today's no-confidence debate has brought its integrity and, most important of all, its regard for the public's right to know into question. Only the day before, the government had tried to portray its generosity and attitude of fair play, albeit in a very restricted fashion, by announcing that it would allow an "edited" version of the debate to be broadcast on radio. It reasoned that the editing was necessary so as to prevent any of the statements from being injurious to outside parties.

Surprisingly it later retracted this and declared that broadcasting an edited version of the debate on the same day as the debate was taking place was technically just not feasible. The government spokesman had earlier assured the public that its Public Relations Department, which functions as the government mouthpiece, would give equal coverage to what was said by Cabinet ministers as well as statements made by the Opposition. Only a week ago, we witnessed the Opposition's two attempts to introduce motions to censure the prime minister being defeated in the overwhelming pro-government Parliament.

It is obvious that the Chat Thai Party is not much of a threat to the government and is unlikely to become so in the near future. In fact, its desperate attempts to assail the government and everything it stands for have become a laughing stock to many.

Then came the Interior Ministry's ruling on the status of Col Phon Roengprasoetwit, which favoured the renegade MP expelled earlier by Chat Thai for breaking ranks. One of the reasons for such a ruling is identical to the one that got MP Sarawut Niyomsap running in the Nakhon Pathom by-election after he was expelled by the Prachakon Thai Party, which is a member of the government coalition.

The tide has turned and the impression is being given that the government's entire political machine is out to destroy the opposition and everything it stands for. In the process, this apparent overkill has jeopardised the public's

right to know. The fact that Chat Thai has almost no chance of ousting any of the former Cabinet ministers it has sought so hard to "grill," no matter whether the debate is broadcast or not, is not in question.

Defeat or victory in the debate forms but a minute part of this power play. More important is the fact that the Opposition must continue to symbolise the inalienable rights of the minority and act as a check against the "parliamentary tyranny" that could develop if an absolute majority is overly exploited. After all, the Opposition has the right to be heard too.

CSO: 4200/1034

THAILAND

BRIEFS

CAMBODIANS' REPATRIATION--Thai authorities may have to repatriate about 20,000 Khmer civilians in Ban Sok Sanh of Khlung Yai District in Trat, Navy Commander-in-Chief Adm Niphon Sirithon said yesterday. "They are giving us a lot of problems, we may be forced to push them out," he said. "International relief organizations are not helping much in providing for these displaced civilians," he added. The Khmers crossed into Thailand to flee the fighting when Vietnamese troops launched an offensive against Khmer Rouge and KPNLF [Khmer People's National Liberation Front] resistance forces in the area 2 months ago. Admiral Niphon added that a Vietnamese platoon crossed into Thailand on Saturday and fired at Thai bases. No casualties were reported and the Vietnamese later returned to Kampuchea. [Text] [Bangkok BANGKOK POST in English 5 Jun 85 p 5]

THAI WITHDRAWAL FROM TRAT--Thai marine forces may have to withdraw from areas on the Thai border in Trat after repulsing the Vietnamese intruders because of the heavy rain and tough terrain, a senior military official said yesterday. Vice Adm Prasoet Noikhamsiri, commander of the Chanthaburi-Trat Force, said he will, today, personally inspect the areas on Banthat mountain range at Ban Chamrak of Muang District. "I will visit the areas to see whether we should continue occupying the areas or withdraw," he said. Thai combined forces successfully drove out all the Vietnamese intruders in the areas on 18 May. The Vietnamese crossed the border into the Thai territory in hot pursuit of the Khmer Rouge guerrillas in late April. Prasoet also said that he briefed American authorities on the border situation during his visit to United States on 19-29 May. He said the Americans expressed keen interest in the development on the Thai-Kampuchean border. [Text] [Bangkok THE NATION REVIEW in English 1 Jun 85 p 2]

CSO: 4200/1034

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK ON ACTIVITIES OF DK DELEGATE AT WHO MEETING

BK040545 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
3 Jun 85

[Text] Dr Thiounn Thioeunn, minister in charge of the coordinating committee for public health and social affairs of the CGDK and head of the DK delegation to the 38th WHO conference in Geneva in May, met and talked with delegates of friendly countries. The delegates were from Japan, Yugoslavia, Egypt, Senegal, Sudan, Mauritania, Tunisia, Gabon, Togo, Morocco, and Tanzania. During talks with the delegates, Dr Thiounn Thioeunn spoke about the military situation in Democratic Kampuchea and the Vietnamese offensives launched along the Cambodian-Thai border in the 1984-85 dry season. He said: The Cambodian people struggle for the survival of their nation as well as for peace in Southeast Asia.

The head of the DK delegation informed the delegates about the misery of the Cambodian people living inside Cambodia. He said: This misery was caused by three things--first, the Vietnamese enemy aggressors have carried out a war of genocide against the Cambodian race; second, shortage of food; and third, shortage of medicine for curing malaria, diarrhea, typhoid, and vitamin deficiency.

Dr Thiounn Thioeunn requested for humanitarian aid in the form of money for use in buying medicine and food for the Cambodian people living inside Cambodia. The delegates of friendly countries promised to consider the request and expressed their solidarity with the Cambodian people's cause of struggle.

CSO: 4212/80

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN SENDS CONDOLENCES TO BANGLADESH

BK020516 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
1 Jun 85

[28 May message from Democratic Kampuchean Vice President Khieu Samphan to
Humayun Rashid Chowdhury, foreign affairs adviser of Bangladesh]

[Text] To His Excellency Humayun Rashid Chowdhury, adviser on foreign affairs
of the People's Republic of Bangladesh, Dhaka:

Your Excellency, the Cambodian people and the CGDK are very moved by the great
disaster caused by violent storms inflicted on the friendly people of Bangladesh.
On the occasion of the national mourning of Bangladesh, I am honored to express
to you, and through you to the people and government of Bangladesh, our profound
regrets and sympathy for families of the victims. We ask you to convey our
sincere sympathy and condolences to the victims' families.

With my highest consideration.

[Dated] Democratic Kampuchea, 28 May 1985

CSO: 4212/80

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK SAYS PHNOM PENH RADIO CONTROLLED BY SRV

BK030658 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 2 Jun 85

[Text] The Hanoi authorities have taken full control of the Phnom Penh radio since their invasion of Cambodia. The radio program in Cambodian is controlled in all aspects by the Vietnamese as follows:

1. All sectors of the radio are supervised by three Vietnamese;
2. A group of Vietnamese nationals is in charge of writing all articles to be broadcast; and
3. A group of Vietnamese who know Cambodian and Cambodians who know Vietnamese is in charge of translating these articles into Cambodian.

The operation at this radio functions as follows:

First, the Vietnamese writers write articles in Vietnamese. These articles are then translated into Cambodian by the translation group. This is why some expressions in the Phnom Penh radio broadcast are styled after the Vietnamese models, such as: rule of friendship; three brothers; Cambodia is by Vietnam's side; economic foundation; 10,000-year solidarity; Vietnam-Cambodia special friendship and solidarity; lips and teeth; and Uncle Ho is the father of Indochina.

This clearly indicates that the Vietnamese aggressors have paid particular attention to controlling the Phnom Penh radio broadcast in Cambodian. They have done this in an attempt to use Phnom Penh radio as a means for their deceitful propaganda in the service of the Vietnamese war of aggression and genocide in Cambodia.

CS0: 4212/80

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

DK DELEGATE ADDRESSES UN ENVIRONMENT MEETING

BK021101 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
1 Jun 85

[Text] On 15 May, Ambassador In Sopheap, head of the Democratic Kampuchean delegation attending the 13th UN meeting on environment in Nairobi, Kenya, gave a speech of which here are excerpts.

First, In Sopheap greeted the chairman and members of the UN commission on environment, thanked the Kenyan Government for its kind hospitality, and wished the meeting complete success. Then he said:

The Democratic Kampuchean delegation once again expresses its solidarity with all fraternal African countries that are victims of disaster such as famine, disease, and displacements, as pointed out recently by Vice President Khieu Samphan at a UN meeting on the urgent situation in Africa. We, the Cambodian people, deeply understand the suffering of the fraternal African people because the suffering in Africa, although it has different causes than the suffering of Cambodia, is painful in the same way.

He added that 6 years ago, following Vietnam's act of aggression and occupation of our country, faced with extinction, famine, disease, destruction, and tragic movements of refugees, His Excellency Kurt Waldheim described this situation as the tragedy of the century. At the end of January this year, Javier Perez de Cuellar, the current UN general secretary, also described the situation in Cambodia as a moving tragedy. It is the result of the Vietnamese brutal and savage war of expansion and race extermination which has sowed destruction, death, and limitless suffering in Cambodia. Almost every social and economic infrastructure and other achievements have been destroyed. At the end of 1978, before the Vietnamese invasion, there were 8.4 million Cambodians. However, only about 6 million remain; the rest were killed by bullets, poisons, and famine deliberately created by the aggressors.

Hundreds of thousands of Cambodian refugees have become a concern of the international community and in particular of neighboring Thailand, which has borne the heavy burden of refugees since 1979. The refugee issue worsened following the recent unprecedented large-scale and barbarous, savage and cowardly attacks by the Vietnamese army to destroy these miserable refugees' camps and new villages along the Cambodian-Thai border. About 250,000 innocent civilians

were forced by the enemy's bullets and toxic shells to flee once again. These criminal acts have been strongly denounced and condemned by peace- and justice-loving countries the world over as well as the UN Human Rights Commission at its 41st meeting at the end of February in Geneva and by the special committee of the International Conference on Kampuchea at its 21st meeting at the office of the United Nations.

The movements of refugees created by the Vietnamese are a most serious problem. Millions of Cambodian people have become refugees in their homeland, deprived of land and homes. They have to live in the open, exposed to rain and sunlight; starve to death; and are constantly exposed to disease. They have been arrested and put in strategic villages surrounded by barbed wire and other traps. Furthermore, as said in the statement issued by Democratic Kampuchea's Economic Ministry on 30 October 1984, the Vietnamese authorities have forcibly deported crowds of people from their villages. The enemy has forced millions of people from the provinces, including the most eastern and northern provinces of Cambodia, to clear jungles, build and repair roads, transport goods, and even act as a shield in its operations along the Cambodian-Thai border. At the same time, in addition to 600,000 Vietnamese nationals who have already settled on Cambodian territory, there are many more Vietnamese nationals who are coming to Cambodia to take over the Cambodian people's land and homes and plunder the Cambodian people's paddy and take it to Vietnam. As pointed out by Samdech Norodom Sihanouk, president of Democratic Kampuchea, this is not a normal displacement, but a policy of sending Vietnamese nationals into Cambodia. It is a policy which attempts to steal the legitimate right to occupy land; change social, cultural, and economic characters; and create demographical changes. This is a great threat to the Cambodian nation.

Attached to these problems, famine in Cambodia still threatens life in the country. A representative of the FAO [Food and Agriculture Organization] in Phnom Penh estimated that Cambodia will face a shortage of up to 130,900 metric tons of rice even without natural disasters. However, the real situation is worse than this. In enemy-controlled zones, 50 percent of children seriously lack vitamins. Apart from children, those most prone to danger are pregnant women, those who breast-feed their offspring, sick people, the disabled, and the aged. According to UNICEF estimates, the rate of stillbirths has increased by 100 percent. Premature death among children has increased to 50 percent. The birth-rate has been reduced to 30 percent. The life expectancy has dropped since 1970 from 45 to 30 years.

Cambodia, a country that used to export paddy, fell into this state because of the Hanoi authorities' policy of creating famine. The Vietnamese aggressors have directly harvested Cambodian paddy fields and levied taxes of 10 kg of paddy from each family. They have pilfered international assistance, stolen people's cattle, and monopolized fishing activities, etc.... All this feeds 250,000 Vietnamese aggressor soldiers and 60,000 Vietnamese civilian staff in Cambodia and is taken to Vietnam as well. By expelling people from villages, increasing the number of refugees, systematically destroying refugee camps along the border, confining people in strategic villages, and other measures, the Vietnamese aggressors are attempting to destroy Cambodia and starve to death

the Cambodian people so as to kill off the Cambodian people physically and morally, and destroy the Cambodian resistance movement for an easy annexation of Cambodia to greater Vietnam. In fact, the Vietnamese do not need Cambodians; all they want is Cambodia.

Apart from famine and other weapons, the aggressors have also resorted to the use of toxic chemical weapons. In the recent dry season, the aggressors used at least two toxic chemicals to kill people: phosgene and cyanid-hydrogen. Recently, Democratic Kampuchea officially protested to the United Nations over the use of such toxic chemical weapons in Laos, Cambodia, and in Afghanistan. It is currently receiving and analyzing reports on the use of these chemical weapons. His Excellency Stephen Solarz, chairman of the U.S. Senate subcommittee for Asia and the Pacific, also said that the United States is not the only country that has found evidence of the illegal use of chemical weapons in Asia. Canada, Australia, China, and Thailand have also found this evidence. Even the French foreign minister, a member of the French Socialist Party who is not an enemy of Vietnam, recently said that France has concrete evidence of the use of toxic chemicals in Southeast Asia and Afghanistan. Independent researchers and politicians have seen Cambodian victims of toxic chemical weapons and have collected various evidence, which through modern scientific analyses, has revealed the presence of T-2 and HT-2 (Trichocegene) substances in these chemical weapons. Tens of thousands of Cambodians have died because of mycotoxin produced by the Soviet Union and used by the Vietnamese aggressor soldiers. Defected Vietnamese soldiers also confirmed this.

Then the head of the Democratic Kampuchean delegation denounced the plundering and destruction of art objects at Angkor temples which the aggressors have been carrying out to eliminate Cambodian civilization and culture and replace them with those of Vietnam, and through this to completely eliminate the Cambodian national entity. He added that the 30th anniversary of the Bandung conference was recently celebrated and the 40th anniversary of the United Nations will soon be celebrated. Is it right that Cambodia, an initiator of the principle of peaceful coexistence, as most loyal founding member of the Nonaligned Movement, and a member of the United Nations, still suffers greatly from such a war of aggression?

Our government appeals to the international community to take various measures to see that the Vietnamese aggressor forces do not continue to destroy Cambodia and exterminate the Cambodian people. The most effective and only measure to end this war is to force Vietnam to withdraw all its aggressor forces from Cambodia to let the Cambodian people decide their destiny themselves, without any outside interference, through universal and free elections under UN supervision in accordance with the UN resolutions on Cambodia. Our delegation would like to take this opportunity to once again express, on behalf of the Cambodian people and the CGDK, most profound gratitude to peace- and justice-loving countries the world over which have provided, directly or indirectly, material and moral support to the Cambodian people's struggle for survival. With this constant support, this cause will certainly win.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK STATION EDITORIAL ON CHILDREN'S DAY

BK021110 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
31 May 85

[Station editorial: "The Cambodian Children Join Their Elders in Denouncing and Condemning the Genocidal Vietnamese Enemy Aggressors and in Demanding That the Hanoi Authorities Withdraw All Their Aggressor Troops From Cambodia in Accordance With the UN Resolutions"]

[Text] Today, 1 June, is International Children's Day. The Cambodian children would like to join all children around the world in observing this International Children's Day with joy, hope, and the certainty that the world's children hold the future of progress of all of mankind and the future of peace throughout the world. On this occasion, the Cambodian children would like to express best wishes to the world's children. May you encounter nothing but happiness and may you rapidly grow up physically, mentally, and academically so that you can build a bright future for yourselves in peace and happiness forever.

Today, when the children of the world are joyously celebrating International Children's Day amid their parents and relatives, our Cambodian children are observing the day with the din of gunfire from weapons of all calibers in the midst of the extremely ferocious and fascist war of aggression and genocide waged by the Le Duan authorities. For nearly 7 years now, the Le Duan enemy authorities have kindled the war of aggression raging in the Cambodian fatherland, inflicting untold crimes and destruction on Cambodian children, their parents, and all Cambodian people in an extremely savage and brutal manner unprecedented in the history of Cambodia.

Since the outset of their aggression in Cambodia, the Vietnamese aggressors have indiscriminately massacred Cambodians of all ages and sexes. They have not spared even young girls and boys and innocent newborns in their cradles, many of whom have been shot dead, disemboweled with bayonets, dismembered, or burned alive. Those 13 or 14 years old who have survived the Vietnamese' genocidal massacres have been forced to carry guns and become soldiers. They are sent to the battlefields where they are used as live mine detectors. Many have been killed in this way as they were being forced to fight for the Vietnamese aggressors or to walk in minefields to blaze trails for them. The Vietnamese enemy aggressors savagely rape prepuberal girls until they lose consciousness or until they die in pools of blood. Moreover, the Vietnamese enemy aggressors have been inflicting another brutal and inhuman practice on our Cambodian children: They make them

bleed until they die or inject them with poisons banned by international law, causing young children to become mad, blind, crippled, or paralyzed.

At the same time, the Vietnamese enemy aggressors have been massacring the Cambodian people and have forced the children's parents to clear brush and to perish from disease in western Cambodia, orphaning tens of thousands of children who are then without shelter or support and live miserably without food. Many Cambodian children have been trucked or shipped like pigs or cattle to Vietnam to be trained and indoctrinated for future use in the service of their aggressive and expansionist strategy in Cambodia and Southeast Asia.

However, no matter how bad their suffering and misery, our Cambodian children have not lost hope. They have confidence in our DK government and in our DK National Army, firmly believing that the latter will someday be able to drive out the Vietnamese enemy aggressors and liberate the country and the children from the diabolical claws of the genocidal Vietnamese enemy aggressors.

In the liberated zone, though it is engaged in war, our DK Government is continuing to pay attention to the living conditions of the children, providing them with material support by building schools, hospitals, and orphanages and moral support by educating and indoctrinating them in the spirit of patriotism, the love of the people, and the attraction of work and teaching them cultural, literary, arithmetic, and technical knowledge. Compared to the children in the zones under temporary Vietnamese control, the children of the liberated zone are much better off. Nevertheless, because our Cambodian fatherland as a whole is engulfed in the flames of the Vietnamese enemy's war of aggression and genocide, although they are now in the liberated zone, the Cambodian children--like their Cambodian elders--have not yet escaped danger as the Vietnamese enemy aggressors continue to launch savage and brutal operations of suppression, massacre, and devastation, against them. Therefore, compared to the world's children, the Cambodian children are still suffering badly. For survival, they have joined their elders throughout the country and their uncles in the DK National Army in counter-attacking the Vietnamese enemy aggressors courageously and to the best of their ability both on the front and in the rear by such acts as joining the people in production efforts and serving as messengers for the National Army. Thanks to the valiant struggle of the National Army, adults, and children in Cambodia and thanks to the support of peace- and justice-loving countries all over the world, the Cambodian nation and race have been able to survive extermination attempts up to now.

The Cambodian children take this opportunity to express profound thanks to the international community for assisting the Cambodian children and people as a whole by giving all types of support to the just struggle of the Cambodian people against the genocidal and annexationist Vietnamese enemy aggressors. The Cambodian children long very much for peace. They want to live in peace to study and build a bright future for themselves to become the radiant future of the nation, like all other children in the world. Therefore, the Cambodian children would like to join voices with the Cambodian adults in appealing to the whole world, to all peace- and justice-loving countries and public figures,

to the international children's organizations, to the international humanitarian organizations, and to the United Nations to pay close attention to the misery of the Cambodian people who are suffering terribly in the flames of the Vietnamese enemy's war of genocide. They are called upon to take urgent, all-round measures to save the lives of the Cambodian children, particularly by continuing to give humanitarian aid to the Cambodian children and people, to support the Cambodian people's just struggle, and jointly to pressure Hanoi to withdraw all its aggressor troops immediately and unconditionally from Cambodia in accordance with the resolutions of the past six UN General Assembly sessions.

CSO: 4212/80

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK ON DK YOUTH DELEGATION'S ACTIVITIES IN PRC

BK060614 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
5 Jun 85

[Excerpts] An 11-member DK youth delegation representing the three factions of the CGDK attended the Asia-Pacific youth friendship seminar in the PRC on 10 May under the sponsorship of the Chinese committee for organizing the International Year of the Youth. The delegation was led by Dr (Hean Vannarath); (Uk Sereisopheap) and (Sam Loch) were deputy heads of the delegation. The DK youth delegation was warmly greeted at Beijing airport by (Zhao Weichu), deputy head of the International Department of the All-China Youth Federation, and (Sin Phalla), counselor of the DK Embassy to the PRC.

On 11 May, NPC Standing Committee Chairman Peng Zhen made a speech opening the friendship youth seminar of the Asian and Pacific countries. That evening, the delegation attended a reception hosted by the Chinese committee for organizing the International Year of the Youth to welcome all delegations. Chinese leaders, including Premier Zhao Ziyang and CPC Central Committee Secretary member Hu Qili, also attended the reception.

On 12 May, the head of the DK youth delegation took the floor to inform the meeting participants of the roles played by the DK youths for peace and development.

Members of other delegations listened attentively to the speech of our delegate and expressed sympathy with and support for the just struggle of our youths, people, and national army with warm applause.

On the afternoon of 13 May, the DK youth delegation attended a special banquet hosted by Hu Jintao, first secretary of the Chinese Communist Youth League Central Committee and chairman of the committee for organizing the International Year of the Youth, which was also attended by Gao Xiaobing, deputy secretary general of the All-China Federation, and other cadres of the federation. The banquet proceeded in a warm, cordial, and friendly atmosphere.

On the afternoon of 14 May, the delegations visited Zhongnanhai, President Mao's residence. On this occasion, Hu Yaobang, general secretary of the CPC Central Committee, cordially and warmly met and chatted with the heads of all youth delegations.

Our youth delegation visited Beijing, Harbin, Shenyang, and Tianjin. The Chinese youths paid close attention to the DK youths coming from the front, and highly appreciated the presence of our DK youth delegation, which reflected good solidarity, unity, and cooperation, showing the determination of the Cambodian youths to unite as one under the leadership of the CGDK in the struggle against the genocidal Vietnamese enemy aggressors. They said the Chinese youths will support the just struggle of our Cambodian youths and people until victory. They expressed confidence that our Cambodian youths and people will be victorious. Other friendly delegations also supported our youth struggle for peace and independence.

The DK youth delegation left Beijing for home on 24 May.

On 27 May, DK President Samdech Norodom Sihanouk sent a message to the Cambodian youth delegation. The message reads: Congratulations full of warm feelings of affection and esteem to the DK youth delegation for the big success it made during the youth meeting of Asia and the Pacific countries. This success is an important contribution to the development of our national liberation struggle.

CSO: 4212/80

27 June 1985

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK REPORTS BATTLE CASUALTY FIGURES FOR MAY

BK040409 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 3 Jun 85

[May Battle Results From Battlefields Throughout the Country]

[Text] 1. Koh Kong-Kompong Som battlefield: 169 Vietnamese soldiers killed and 203 wounded. Total: 372 casualties.

2. Leach battlefield: 98 killed and 84 wounded. Total: 182 casualties.

3. Samlot battlefield: 174 killed and 146 wounded. Total: 320 casualties.

4. Pailin battlefield: 220 killed and 310 wounded. Total: 530 casualties.

5. South Sisophon battlefield: 288 killed and 267 wounded. Total: 555 casualties.

6. North Sisophon battlefield: 55 killed and 66 wounded. Total: 121 casualties.

7. Siem Reap-Route 6 battlefield: 144 killed and 139 wounded. Total: 283 casualties.

8. Preah Vihear battlefield: 80 killed and 63 wounded. Total: 143 casualties.

9. Kompong Thom-Kompong Cham battlefield: 154 killed and 179 wounded.
Total 333 casualties.

10. Moung-Pursat battlefield: 154 killed and 167 wounded. Total: 321 casualties.

11. Western battlefield: 42 killed and 47 wounded. Total: 89 casualties.

12. Southwestern battlefield: 116 killed and 148 wounded. Total: 364 casualties.
[figures as heard]

13. Northeast-Eastern battlefield: 7 killed and 10 wounded. Total: 17 casualties.

In sum, in May, we killed 1,701 Vietnamese soldiers and wounded 1,856 others, for a total of 3,557 casualties. [figures as heard]

CSO: 4212/80

27 June 1985

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK, VODK BATTLE REPORTS for 24-30 MAY

BK010720 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian and (Clandestine) Voice of Democratic Kampuchea in Cambodian broadcast the following battle reports during the reporting period 24-30 May:

VONADK at 2315 GMT on 24 May reports that between 12 and 19 May, DK forces on the Siem Reap, Mung-Pursat, south and north Sisophon, Kompong Chhnang, Kompong Cham, and Kampot battlefields killed or wounded 67 Vietnamese soldiers; destroyed 200 meters of railroad track, 6 commune offices, 14 trenches, 7 barracks, a paddy depot, and some weapons, ammunition, and materiel; seized 4 weapons and some ammunition and materiel; and liberated 8 villages on west Battambang and Battambang battlefields.

VONADK at 2315 GMT on 25 May notes that between 10 and 22 May, DK forces on the Pailin, Koh Kong Leu, west Kampot, Siem Reap, and Leach battlefields killed or wounded 160 Vietnamese soldiers; destroyed 5 weapons, 2 trucks, 4 barracks, 3 trenches and some war materiel; and seized some weapons, ammunition, and war materiel.

VONADK at 2315 GMT on 26 May says that as a result of attacks on the Samlot, Chhep, Leach, Battambang, and Kampot battlefields between 14 and 23 May, 57 Vietnamese soldiers were killed and 53 wounded, 10 weapons were destroyed, and 3 guns and some documents, ammunition, and war materiel were seized by DK forces.

VONADK at 2315 GMT on 27 May reports that between 7 and 24 May, DK forces on the Koh Kong-Kompong Som, Kompong Speu, and Kompong Thom battlefields killed or wounded 29 Vietnamese soldiers; destroyed a commune office, 4 barracks, and some war materiel; seized some war materiel; and liberated 5 villages on east Battambang battlefield and 3 villages on south Battambang battlefield.

VONADK at 2315 GMT on 28 May reports that between 13 and 25 May, DK forces on the Pailin, South Sisophon, Route 4, and Kompong Chhnang battlefields killed or wounded 103 Vietnamese soldiers; destroyed 12 guns, a commune office, a house, a truck, 835 meters of railroad track, and some war materiel; and seized some weapons, ammunition, and materiel.

VONADK at 2315 GMT on 29 May reports that between 18 and 24 May, DK forces on the Chhep and Kampot battlefields killed 13 Vietnamese soldiers and wounded 16 others; destroyed 7 guns, 3 commune offices, 8 barracks, and some war materiel; seized some weapons, ammunition, and materiel; and liberated 3 villages in Kompong Thom.

VONADK at 2315 GMT on 30 May reports that between 22 and 28 May, DK forces on the Samlot, Kompong Thom, Pailin, Chhep, and South Sisophon battlefields killed 64 Vietnamese soldiers and wounded 58 others; destroyed 22 guns, 2 trucks, and some war materiel; and seized some weapons and materiel.

Note: VODK battle reports during this reporting period are verbatim repeats of VONADK reports above.

CSO: 4212/80

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

SRV POSITION LIBERATED--On 24 May, we launched a 3-pronged attack against the Vietnamese commune office at Chrouy Sdao for the fourth time. The first prong moved toward the bridge; the second toward Kbal Nikom; and the third moved toward the commune office. At the end of a 15-minute battle, we completely liberated this commune office. We killed two and wounded three Vietnamese enemy soldiers, and seized six hammocks, five pairs of shoes, and some ammunition and weapons. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 May 85]

FOUR VILLAGES LIBERATED--On 26 May, we swept the Vietnamese enemy between Kdaong and Dangkiep Kdam villages. We killed or wounded a number of Vietnamese soldiers; destroyed a rice mill and a 7-meter bridge; and liberated four villages: Dangkiep Kdam Khang Kaeut, Krachap, (Kampo), and Dangkiep Kdam. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Jun 85]

MOUNG COMMUNE OFFICE LIBERATED--We attacked Chrey commune office, MOUNG District, MOUNG-Pursat battlefield, on 24 May. After fighting for 15 minutes, we totally liberated this commune office. We killed a Vietnamese soldier and wounded two others and destroyed a commune office building, four barracks, five trenches, a rice milling machine, and some war materiel. After this attack, we continued to launch sweeping operations against Vietnamese soldiers along the MOUNG River. We killed or wounded seven Vietnamese soldiers and liberated six villages: Phum Chrey, Moreah Prou, Tuol Sokhon, Angkrang, (Ta Por Let), and Don Tri. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 85]

SRV SOLDIERS TO KOMPONG SOM--The Vietnamese enemy sent more than 300 new soldiers from South Vietnam to Kompong Som town on 29 May. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Jun 85]

NORTH BATTAMBANG VILLAGES LIBERATED--Democratic Kampuchea forces attacked a Vietnamese company position at Kouk Kdouch on north Battambang battlefield on 31 May. After 30 minutes of fighting, we totally liberated this position. We killed 6 Vietnamese soldiers and wounded 6 others; destroyed 10 trenches, the company command post, and some war materiel; and seized 4 AK's, 2 M-16's, 2 AK magazines, 6 AK pouches, 10 belts, and some war materiel. On the same day, we ambushed a battalion attempting to rescue their colleagues, killing three Vietnamese soldiers and wounding five others. The survivors fled back to Thmar Koul. We destroyed a B-40, a Goryunov, a 60-mm mortar, and a RPD, and liberated six villages, namely, Phum Kouk Kdouch, Andong Chenh, Rung, Samraong Dach, Ta Pong, and Ang. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jun 85]

27 June 1985

SRV BATTALION LIBERATED--Democratic Kampuchean forces attacked and totally liberated a Vietnamese battalion position northwest of Hill (?482) on Koh Kong Leu battlefield on 3 June. We killed 25 Vietnamese soldiers and wounded 34 others. We destroyed 1 DK-75, 1 60-mm mortar, 1 B-40, 3 B-41's, 3 RPD's, 25 AK's, 30 large trenches, 42 small trenches, 4 barracks, the battalion command office, and some war materiel; and seized 150 B-40 rockets, 30 hand grenades, 15 crates of AK ammunition, 6 rucksacks, 48 pairs of shoes, 40 hammocks, 42 belts, and some war materiel. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jun 85]

SRV SOLDIERS TO KAMPOT--On 23 May, the Vietnamese enemy aggressors sent 700 fresh reinforcements from South Vietnam to Chakrei Ting factory and Prey Khnang commune in Kampot District of Kampot Province. These soldiers are Vietnamese students forcibly recruited from schools in south Vietnam for use in replenishing their army forces on the Cambodian battlefield due to heavy losses they suffered in the 7th dry season. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Jun 85]

CSO: 4212/80

PEOPLE'S REPUBLIC OF KAMPUCHEA

POSSIBLE BASIS FOR SETTLEMENT AMONG FACTIONS VIEWED

PM231507 Paris LE MONDE in French 23 May 85 p 5

[Jean-Claude Pomonti dispatch: "'Neutralization' Acceptable to Vietnam"]

[Text] Bangkok--Is there a chance, however small, of a political settlement in Cambodia in the next 2 or 3 years? Those, like the Indonesians, who had advocated the start of dialogue with Hanoi, had to change their tune and support the firm line advocated primarily by Thailand and Singapore. But the Vietnamese, for their part, are aware of the limits of their recent military successes in western Cambodia. They make them even more isolated at diplomatic level. In Cambodia the resistance is continuing, at least sporadically, and Heng Sarrin's pro-Vietnamese regime seems far from being consolidated. Moreover, Vietnam is still devoting to the war energy which is vital to rebuild one of the poorest countries in Asia.

Some Western and Asian diplomats directly concerned by the conflict nonetheless think that the time has probably come to attempt a settlement, if the Vietnamese neutralization of Cambodia is to be avoided. They have no illusions about the scope of such an initiative. "Any solution," they say in essence, "is bound to be bad but the aim in Cambodia is to avoid the worst." In addition, they think that the negotiation of a Vietnamese military withdrawal is only conceivable if Hanoi obtains a guarantee that its "strategic interests" will be recognized.

In the light of the 50 years of struggle by the Vietnamese communists, the most realistic people think that Hanoi would, at best, accept a "pro-Vietnamese neutralization" of Cambodia, which implies a permanent Vietnamese presence. One of the solutions would be the deployment of a "blue helmet" corps, necessarily including a Vietnamese detachment, which would preferably be stationed in eastern Cambodia, both to guarantee the security of Vietnam's border zone and to reassure the Thais who resent the existing concentration of Hanoi's troops on their own border.

This outline, which so far is a long way from being accepted, is based on the conclusion that Vietnam may stand to gain nothing from the perpetuation of the status quo in Cambodia. China, which has other priorities, can be patient with its turbulent neighbor. The United States, for its part, is turning its back on Vietnam all the more because its positions in the region have never been so strong and it is having to deal with much more worrying

situations in Central America. As for the ASEAN states, they are less worried by Vietnam's military might than in the past. They have good friends, especially American friends, and their level of development is far higher than that of the states of former French Indochina.

Having achieved its goals by imposing its control over Laos and Cambodia in different ways, Vietnam is, however, bound to wonder about its future and think of ways of not lagging behind a continent which is now developing at a faster rate. The time may therefore have come to help it, in a way, to successfully turn the corner which it probably failed to turn immediately after the 1985 victory.

"National Communism"

According to the same sources, the conditions for such an enterprise would be the following:

--Any initiative in Hanoi's direction must come from ASEAN, because negotiations must take place in a regional framework. The aim, therefore, especially for Thailand, is to get used to the idea of such a scenario--which is not obvious at the moment--and to work on it in close cooperation with its partners in South-east Asia while making sure of support on the international scene, especially from China, Japan and, of course, the United States.

The latter must be sure that, if necessary, it would only have to play a supportive role, at least in the initial phase. In this connection the granting of \$5 million in American aid to the noncommunist Cambodian resistance looks like a blunder since it gives the impression that the United States, by adopting a tougher line, is tempted to move into the "front line" again. On the other hand, at a later stage Washington might help the Vietnamese within the framework of a comprehensive agreement on Cambodia, to find the international funds necessary to revive their economy.

The alliance between Moscow and Hanoi must be accepted as a fait accompli. Any speculations about disagreements between the two capitals are dangerous. In the present context of very different kinds of "socialism" it is better to see the Vietnamese regime as a "national communism" whose regional interests do not necessarily conflict with those of the Soviet "big brother" whether or not there is a Sino-Soviet rapprochement.

--The Cambodian resistance must meanwhile be supported if it is to form a major trump card within the framework of possible negotiations and not as one of the means of liberating Cambodia in the long term. From this viewpoint, the ideal solution would be to form a merger between Mr Son Sann's supporters and Prince Sihanouk's better organized and more numerous supporters, given that the division between the two movements is rather artificial and that, at international level and in Cambodia, Prince Sihanouk could still form the figure-head for a "pro-Vietnamese neutralization" of the country. It would not be [a] matter of asking the prince to become a puppet in Vietnamese hands--to which he would never agree--but, once again, of giving the Vietnamese the guarantees without which they will not talk.

--It is essential to find ways of relegating the Khmers Rouges to second place, because the Vietnamese refuse to have discussions with them, they are still feared in Cambodia, and are very unreliable partners with a terrible international reputation. This would imply persuading the Chinese, their only arms supplier, to stop supporting the Pol Pot and Ieng Sary leadership clique. This will not be an easy matter, because, in that case, Beijing would be worried about having fewer means of exerting pressure on the negotiations.

The current atmosphere of distrust probably does not lend itself to the start of such difficult and subtle negotiations. But, on the other hand, the Vietnamese, who have followed through their Indochinese relations, can see, 10 years after their victory, the lack of interest shown to them by an international community whose cooperation is nonetheless vital to them to rebuild their country and prevent it from remaining a "pocket of poverty" in an expanding region. It remains to be seen whether, psychologically, the Vietnamese leadership could be prepared to seize such an offer if it was made, or if it might choose splendid but daunting regional isolation.

CSO: 4219/59

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

BOU THANG VISITS NORTHEAST AREA--Phnom Penh, 28 May (SPK)--Minister Bou Thang has stressed the necessity to intensify the political training of revolutionary cadres in order to make the most of the successes scored by the country since liberation, particularly its military victories during the recent dry season. He emphasized this during a visit to a political class in northeastern Cambodia in the company of Men Sam-an, member of the party Central Committee and chairman of the Propaganda and Education Commission of the KPRP Central Committee. Bou Thang, member of the KPRP Central Committee Political Bureau and vice chairman of the Council of Ministers, drew attention of all students on the primary tasks they should carry out, including restoring the economy, and building authentic revolutionary forces to ensure the advance of the Cambodian revolution. [Text] [Phnom Penh SPK in French 0418 GMT 28 May 85 BK]

'MISLED PERSONS' RETURN--Phnom Penh, 29 May (SPK)--In April, 211 misled persons presented themselves to revolutionary authorities in Siem Reap-Oddar Meanchey Province, 300 km northwest of Phnom Penh. These rallied men, including 94 from the Pol Pot side, 30 from Son Sann's, and 17 from Sihanouk's, brought with them 73 weapons, 2,700 rounds of ammunition, and other war materiel. Local authorities and people warmly received them and provided them facilities to start a new life with their families. Since the beginning of this year, militiamen in various localities in Bakan District, Pursat Province, 150 km northwest of Phnom Pehn, put out of action 52 enemy soldiers and took 4 prisoners as they tried to infiltrate into villages to steal. [Text] [Phnom Penh SPK in French 0401 GMT 29 May 85 BK]

BAKAN MILITIA ACTIVITIES--Phnom Penh, 29 May (SPK)--Militiamen in the border district of Bakan, Pursat Province, intercepted groups of bandits killing 14 of them and wounding 38 others in the last 5 months. Four others were taken prisoner and seven guns and other war materials seized. The bandits belonged to the Polpotist and other Khmer reactionary groups whose hideouts along the Kampuchean-Thai border were destroyed during the recent dry season by the Kampuchean revolutionary forces in coordination with Vietnamese army volunteers. The dispersed army remnants had infiltrated into the district for plundering the local people of food. In two skirmishes in O Tapong commune alone the militia force killed five enemies and wounded 13 others. [Text] [Phnom Penh SPK in English 1124 GMT 29 May 85]

PARTY ACTIVITIES AND GOVERNMENT

DEMOCRATIC PARTY REVIEWS 1984 WORK, SETS GOALS

Hanoi DOC LAP in Vietnamese 1 May 85 p 3

[Article by Vu The Truong: "Party Central Committee Plenum Reviews 1984 Work, Sets Tasks for 1985"]

[Text] From 3 to 6 April 1985, the Vietnam Democratic Party [VDP] Central Committee met to examine the resolutions of the Vietnamese Communist Party Central Committee Seventh Plenum to review Democratic Party work in 1984 and discuss ways to carry out its 1985 tasks.

That meeting had a meaningful impact on the conduct of Democratic Party activities in the new revolutionary stage.

Guided by the Fifth Communist Party Congress resolutions, the important resolutions of the Communist Party Fifth Plenum, Directive 17 of the party secretariat on the Fatherland Front's work, and the valuable ideas expressed by Communist Party and Fatherland Front leaders on the occasion of the Democratic Party's 40th anniversary--as Secretary General Nghiem Xuan Yem said in his opening address--the Central Committee, convened to review the 1984 work, fully assessed our party's progress in the past year, drew good experiences from past work, and from central guidance; approved concrete party tasks for 1985; and diligently prepared for the Fifth Party Congress. In the first part of the meeting, the delegates heard reports on Resolution Seven of the Communist Party Central Committee plenum; on the international situation and obligations; on border incursions launched by Chinese expansionists; and on the fine achievements of the Vietnam Fatherland Front Central Committee Third Plenum.

The meeting heard Secretary General Nghiem Xuan Yem review Democratic Party work in 1984, assess the party situation, and focus attention on the new progress of cadres and party members, and on experiences in political, ideological, organizational and emulative work, and in implementing the party's six proselytization formulas.

The meeting held an in-depth discussion into the general revolutionary tasks and Democratic Party tasks; approved 6 party political tasks for 1985; and designed 5 concrete tasks for the entire party.

The first significant achievement of the recent VDP Central Committee plenum is that our central committee has shown high agreement with the leading party, the state and the front on assessing our people's major victories and advances in all respects in 1984 in socialist building and transformation, and great accomplishments in the economic, cultural and social battlefronts, and in implementing Resolution Six of the leading party concerning improvement of economic management. The meeting warmly welcomed the fine success of the Vietnam Fatherland Front Central Committee Third Plenum; warmly welcomed and committed to memory VCP Secretary General Le Duan's important speech on the front's role in uniting and mobilizing various popular strata, and in fostering collective ownership in building and defending the socialist fatherland.

While discussing international obligations, the meeting welcomed the great victories of three epochal revolutionary currents, and the victories of the world peace movement; fully supported the policy of reducing tensions of the Soviet Union and other socialist countries; and warmly welcomed the Soviet Union's peaceful initiative in ceasing deployment of medium-range nuclear missiles in Europe. The meeting warmly applauded the great and resounding victories of the fraternal Kampuchean army and people in attacking and destroying the bases of the genocidal Pol Pot clique and Khmer reactionaries along the Kampuchean-Thai border.

The VDP Central Committee plenum strongly denounced the incursions which Chinese expansionists have conducted into Vietnam's northern border since the beginning of 1984, demanding that they put an end to all plots and actions aimed at opposing and sabotaging the revolutions in Vietnam and in all three Indochina countries.

An achievement of special significance of the VDP Central Committee plenum lies in a consensus in assessing party tasks in 1984, and in approving new tasks for 1985.

As the 1984 summary report points out, our entire party, enthusiastically and confidently celebrating the VDP's 40th anniversary, has unceasingly expanded its active contribution to building the Fatherland front, the revolutionary administration, a new economy, a new culture, and a new socialist man, through movements designed to encourage people to emulate to work, produce and save, to buy bonds to build the fatherland, to develop a family economy, to "live and work in keeping with the constitution and the law," to care for children, to implement a civilized lifestyle and a culturally new family, and to participate in social activities in populous areas and at the grassroots level.

The meeting was very pleased to note that, through mass revolutionary movements, the ranks of party cadres and members have been educated and trained to heighten revolutionary resolve, ideological and political awareness, and moral behavior, thus enabling them to make active contributions and new achievements, for which local echelons of the leading party, the administration and the front have trusted, honored and praised them, and for which various popular strata have accorded them confidence and support. Especially, looking back into the past, the central committee plenum unanimously appreciated the excellent celebration of the VDP's 40th anniversary at the central echelon and in party organizations. That celebration gave the entire party a big lift and a feeling of genuine pride, and helped various popular strata, sectors and circles clearly understand the VDP's revolutionary nature, its growth and its dedication to the tasks of liberating the people, unifying the nation, and strengthening and defending the socialist fatherland. The VDP Central Committee plenum discussed and approved the tasks for 1985. It noted that 1985 is a year with many big national holidays and important international commemorative events, with the end of the 5-year state plan (1981-85), and preparation for a new 5-year plan (1986-90).

In the face of big and pressing tasks, outlined by the leading party, the National Assembly and the Fatherland Front, and which the entire people are required to perform, our VDP should raise even higher revolutionary resolve and combativity, self-mastery and self-reliance, and continue to contribute actively to building the nation in the new era, fully discharging its duty as a diligent component of the Fatherland Front. Guided by that spirit, the meeting passed Resolution Four of 1985, ordering the entire party to strictly implement Directive 17 of the VCP Central Committee Secretariat on linking Fatherland Front work with party work.

Resolution Four of 1985 of the Central Committee plenum stipulates that our entire party carry out six general political tasks and five party tasks. The resolution emphasizes the uppermost importance of ideological and political work vis-a-vis cadres and party members, using major national and international commemorative events as an opportunity to teach them about revolutionary and national traditions, genuine international solidarity, and the VDP's revolutionary heritage.

The resolution also emphasizes activities aimed at strengthening party organization, at encouraging the people to emulate, collect data, and conduct inquiries to write about VDP history, and at implementing the VDP's six proselytization formulas with more strength, especially expanding DOC LAP Magazine, the Central Club and party organizations, and accelerating proselytization at the grassroots level, as assigned by the Fatherland Front.

To do VDP political tasks well in 1985, the central committee plenum has called on the entire party to unceasingly show absolute faith in the vanguard party's wise policies, lines and leadership, strengthen unity within the Vietnam Fatherland Front and, more than ever, strengthen intraparty unity, from the central echelon down to the basic level, and put into practice the 4 major lessons learned from the VCP's 40th anniversary, with a view to continually carrying out the party's glorious tasks and being worthy of the trust of the leading party and the revolution.

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ECONOMIC PLANNING, TRADE AND FINANCE

NEW RESOLUTION ON INDUSTRIAL MANAGEMENT EXPANDED

Hanoi TAP CHI KE HOACH HOA in Vietnamese Feb 85 pp 3-14

[Article: "Implementing the Council of Ministers' Resolution No 156 on Improving Management of State Industries"]

[Text] In keeping with the direction set at the 6th Plenum of the VCP Central Committee (5th Session) for renovating economic management, the Council of Ministers issued Resolution No 156/HDBT, dated 30 November 1984, entitled: "A Number of Issues Involved in Improving Management of State Industry." The resolution aims at faster development of the leadership role of state industry, especially heavy industry, and the simultaneous strengthening and building of enterprises and installations on the industrial production front into socialist state production units.

For the immediate future, the following tasks must be performed for the management of state industry to be renovated:

First, a spirit of initiative and innovation must be developed, the right of financial independence must be expanded, the right of self-responsibility must be upheld among installations on the basic level, and the centralized, unified management of the state must be consolidated, with the objectives of exploiting every potential at hand, overcoming difficulties, gradually balancing all aspects in a positive way, synchronizing and raising the degree to which production potential is realized, and ensuring effectiveness in production and business.

Second, on the basis of rearranging and reorganizing production, economic and technical sectors must be gradually formed, management by sector must be implemented in combination with management by locality and by territorial zone; production rearrangement and reorganization must be combined with socialist reform; and the leadership role of the state economy must be strengthened and upheld, while simultaneous use is made of the positive aspects and potential of other economic components, creating many products for society.

Third, a new economic system must gradually be formed which makes economic planning central and combines planning with economic accounting and socialist business; and on that basis administrative, bureaucratic, and subsidizing

management must be stopped, and a decentralized and permissive situation must be changed by reasserting socialist discipline and upholding responsibility, order, and the socialist legal system.

Fourth, the basic production installation (the enterprise) must be the principal object for management reform, and the need for management reform on the basic level must become the basis for changing and supplementing the state management system and policies, correcting organization, and renovating the way management agencies on higher levels think and work, with the aim of breaking the shackles on the basic level, creating conditions that favor development, and raising the effectiveness of production and business.

Fifth, work must be effective and conservation must be strictly observed in production, in distribution and circulation, and in consumption; on that basis, more savings are to be accumulated within the state economy for socialist industrialization and for raising the worker's standard of living.

Originating in the management principles of socialism and in the situation and special socioeconomic conditions of the initial portion of the transition period in our country, Resolution No 156/HDBT addresses the issue of the management of state industry in a fundamental and methodical manner. The resolution concentrates on treating the most basic topics of the substance of reform, which are also critical issues today. This substance is manifested in five big issues, from reorganizing industrial production to planning reform, implementing economic accounting, reforming economic and financial policies, and correcting the management mechanism.

I. Rearranging and Reorganizing Industrial Production

Rearranging and reorganizing production is actually redistributing production forces in industry. This is closely associated with labor division, decentralized management, and socialist reform--these three factors are closely interrelated and mutually supportive in the process of implementation.

The resolution stresses the requirements and tasks of rearranging and reorganizing industrial production.

1. Rearranging Production

Production rearrangement must ensure development according to planning and according to the state plan and must aim at building a rational economic structure and realizing the strengths of each sector, region, and locality, especially in concentrated industrial zones, with close ties between elements of the economy and with the state economy holding a leadership role. All capabilities must be concentrated on accomplishing the main tasks of the state plan and creating a positive and active balance. Socialist order must be established in production and business operations, and conditions must be created that favor the use of a new management structure to attain high economic effectiveness.

Based on the general situation and the situation with industry and on the policies of the party and the state, the rearrangement must be by economic and technical sectors nationwide, embracing central echelon, local, and basic-level enterprises of the various elements of the economy, closely linking sector with territorial region and locality. The rearrangement embraces a number of aspects: rearranging production, adjusting products to respond to socioeconomic needs; rearranging the production base; rearranging technology and equipment, paying attention to synchronization of production lines; rearranging labor forces; and rearranging economic elements in industry in combination with socialist reform in production and circulation to ensure that the state economy holds the leadership role.

On the basis of rearranging production, in order to use the present potential and the newly augmented potential most effectively and practice strict conservation (with priority to saving electricity, gas, coal, and raw materials), right from the start of 1985, the state plan must concentrate the main factors of production on key products serving production, export, life, and defense and on products that generate considerable income for the treasury. Priority must be given to state-operated enterprises that produce those products, especially enterprises with large outputs and high economic effectiveness. The Council of Ministers decides on the list of key products and enterprises with priority on the scope of the entire national economy, and the ministries and provincial and municipal people's committees determine which products are key and which enterprises have priority on the sector and local scale according to their balanced potential.

As for enterprises without priority, responsible ministries and provincial and municipal people's committees are to encourage, lead, and assist in the development of a spirit of initiative and creativity, extend networks of cooperation, and expand joint operations in order to increase sources of materials, supplies, spare parts, and consumer markets in the aim of effectively using the present production capacity and moving on to increase production when it is feasible. Equipment must be used to current capacity in order to produce new goods needed by society in proportion to new resources and materials.

Installations which do not show potential for production in the immediate future, have not shown potential for a long time, and do not belong to the category of installations which are required by policy to maintain production should make bold switches to sectors for which they are qualified and which are effective. Installations that have recently grown up spontaneously, do not have economic effectiveness, and harm the economy are to be resolutely dissolved.

Leadership must be concentrated on completing, within 1985, rearrangements of the main sectors in key areas--Hanoi, Ho Chi Minh City, Haiphong, Quang Ninh, Vinh Phu, Bac Thai, Quang Nam-Da Nang, and Dong Nai.

2. Reorganizing Production

a) For the immediate future, the first task for ministries, general departments, and provincial and municipal committees is to build basic-level production installations into strong socialist business units.

To do this, on the basis of correctly establishing the production orientation, the product structure, and the product plan, production installations must actively reorganize production in a way suitable for ensuring effective operation.

Independent enterprises or joint enterprises may be organized, depending on whether there is a need to link the phases of production and processing of raw materials or to link technological processes to put out finished products and make integrated use of raw materials. Under conditions in our country today, in addition to strengthening independent enterprises as the main form, we must pay attention to expanding efforts to organize joint enterprises if there is a sufficient economic and technical base and if we estimate a clear economic effect, especially joint industry-agriculture, industry-forestry, and industry-fishery enterprises.

b) Needed federations of state-operated enterprises must be set up, and economic and technical sections established.

Scientific and production federations must be set up as best suits where conditions are suitable.

The functions of the managing authority must be performed as set forth in Resolution No. 39 of the Central Committee of 3 February 1961, and those of enterprise federations and enterprises must be performed as directed in the regulations of joint enterprises and enterprises. The right to financial independence and to initiative and ingenuity of enterprises and joint enterprises must be fully respected and utilized. State executive management agencies (ministries and provincial committees) must correctly perform their state management function, not interfere in the enterprise's job of production and business operation.

In the spirit presented above, existing ministries are to strengthen joint enterprises presently available, set up new ones that are perceived to be needed, and resolutely displace those that do not respond to needs and only operate formally, without practical effectiveness.

As for the scope of joint enterprises, under present conditions they should be organized on a regional scale. They should be organized on a national scale only when there is a practical need and when it is completely feasible. In provinces and municipalities with concentrated industry and many production installations in the same sector, local province- and city-level joint enterprises can be set up.

c) In sectors with many economic elements, product groups should be joined under the purview of a leading state-operated enterprise. The level of the product group will be mainly the region, province, municipality, or district.

or ward with relatively concentrated industry. Production installations in the product group discuss among themselves the use of resources in raw materials, supplies, and spare parts, divide work and cooperate in production, exchange experience in techniques and management, and help each other overcome difficulties in production.

d) Cooperative and joint relations should be developed, with the aim of joining forces to produce more raw materials and supplies, expand investments (especially in-depth investments), adopt new techniques, organize production services, and utilize present potential and develop new production potential in keeping with sector, local, and territorial development plans and projections.

Joint activities must be documented in the plans of all participants and must be put into economic contracts. Such a contract must be sent to the economic arbitrator according to division of work and decentralization in that geographic area.

e) Ministries and provincial and municipal people's committees must urgently carry out work division and decentralized management in conjunction with rearranging and reorganizing industrial production according to instructions and resolutions issued by the party and the state to enable implementation of the new management system.

II. Planning

For socialism, management according to plan is a practice that is statutory by nature. In our country's industry, production is still generally on a small scale, but state industry has seized firm control of essential sectors and occupies an important role in the national economy. The state plan has therefore become the center of the industrial management network, and it is very critical to perfect the effort to put state industry on a planning basis.

The resolution emphasizes the central role of planning and at the same time presents the substance of and specific measures for improving the strength of the planning structure. Among these, emphasis is placed on reforming the planning of state industry enterprises.

The planning of state industry enterprises has an important, special role consistent with the role of basic economic units in industrial production.

In conjunction with expanding the enterprise's right of self-ownership in the process of plan formulation and implementation, the resolution also emphasizes the responsibility and mission of enterprise toward the entire national economy as well as toward itself for developing the enterprise and the standard of living of the worker collective in the enterprise and for establishing clearly the substance and methods of formulating and implementing that plan.

a) The plan of the enterprise, joint enterprise, enterprise federation, corporation, and general corporation (all hereafter referred to as the enterprise) is a combined production/technical/financial plan (with sections on economic planning, living standards of workers and civil servants, and social welfare) actively formulated by the enterprise, to activate the spirit of collective ownership in workers, civil servants, and mass organizations based on exploiting the four sources of capability and under the guidance of the management agency on the level directly above.

The enterprise's plan must be balanced regarding both available resources and value, with the two aspects coordinated and combined. While the official plan must be proposed for approval each year, proposals must also be made for the next year's plan to ensure continuous production. The state concentrates on balancing the principal material requisites (energy, raw materials, materials, parts, transport, services, etc.) for key products and enterprises given priority. The state levies mandatory planning standards on enterprises on the basis of balancing the principal, concrete material requisites for each production sector, including material requisites supplied by the central echelon or by localities or created by the installation for itself in a stable manner in order to bring them into planning balance.

By economic policies and levers such as prices, profits, credit, product distribution, and export/import (specifically regulated in the economic/financial policy section), the state urges the enterprise to utilize all other sources of capability (its own, joint activities with other economic organizations, making export goods in order to import, bank loans, including loans in foreign currency, etc.) with the aim of supplementing the resources of the state that are not sufficiently balanced and writing plans with higher targets than those provided by the state for guidance and as mandatory planning norms. In addition, the enterprise can find and use new capabilities to produce more products in excess of mandatory norms (including primary products and by-products).

b) Plan Formulation Procedures

1. In the 2d Quarter of the preceding year, the head of the management agency on the echelon directly above the enterprise announces to the enterprise:

--the planning orientation, mission, and targets of the enterprise for the coming year (for available material resources and finances);

--guidance figures regarding capabilities for the supply of materials, energy, and services and regarding product distribution; information on economic and technical standards and norms;

--information on domestic and foreign markets and on prices;

--economic organizations responsible for supply and product distribution.

Based on the requirements and guidance figures of the higher echelon and on the needs of the market, consumption potential, and on sources of materials, the enterprise takes the initiative to contact other economic units to negotiate and sign economic contracts as a basis for plan formulation.

2. In the 3rd Quarter of the preceding year, based on guidance figures and on information from the echelon above, approved economic and technical norms, prospects for using resources, and planned economic contracts, the enterprise formulates its unified production/technical/financial plan, which it reports the management agency on the echelon directly above it.

3. In December, at the latest, the year before, the management agency on the echelon directly above it reviews the plan and provides the enterprise mandatory norms. Regarding goods produced in excess of mandatory norms, the enterprise is only required to report them to the management agency on the level directly above it.

4. In the process of implementing the plan, the enterprise can expand it and report supplements to the management agency on the level directly above.

If, after seeking every means of overcoming problems, the enterprise is unable, for objective reasons, to meet mandatory norms, it reports this to the management agency on the echelon above to request adjustment at the beginning of the 3rd Quarter of the planning year.

If the agency issuing a plan wants to change it after it has been issued, it must discuss it with the enterprise and must ensure that the materials required to implement the change are available.

c) The system of mandatory norms is composed of:

1. The realized output value of goods, of which the exports portion is clearly indicated.

2. Products turned over by category and quality as determined by the state and according to signed contracts, the exports portion of which is clearly indicated.

3. Cost reduction. Specifically, this is the reduction in costs below those of the previous year in reference to comparable products; cost reductions below planned costs in reference to new products; and total cost reductions.

4. Profits and budget transactions, including accumulations in foreign currency if the enterprise produces export goods or participates in export.

5. Principal materials supplied by the state (whether by central or local organizations) according to mandatory planning norms.

The above mandatory norms apply to all types of the main products produced by materials supplied by the state and sought by the enterprise to be documented

in the plan. Regarding other products, the above norms are guidance norms; enterprises must implement regulations of the state regarding product distribution and fulfilling obligations for turnover to the state.

Additionally, management agencies on the level directly above the enterprise levies guidance norms regarding such matters as applying technical standards, reducing waste of materials in the main products, and increasing labor productivity, with the aim of raising the effectiveness of the enterprise's production and business.

d) Defending and Accepting the Plan

The enterprise defends the plan before the head of the management agency on the next echelon above it and accepts the plan.

When defending the plan, the enterprise must clearly report its economic and technical base, sources of capital, and the economic contracts for supplies, services, and product distribution.

e) Inspection of Plan Fulfillment; the Final Statement

The plan completion inspection council must inspect plan completion and the final statement in a timely, thorough, and honest manner, based on the plan that was approved and issued to the enterprise, the economic contracts that were signed with other economic organizations to ensure implementation of the plan, and objective conditions influencing plan implementation. Dishonest reporting of the production and business situation and results must not be tolerated.

Inspections must have practical substance--they must not be formalistic, troublesome, and wasteful for the enterprise.

g) To ensure that the plan levied on the enterprise is effective:

--transportation, production service, banking, and supply organizations (including import supply organizations) must strive to overcome difficulties and ensure that the main materials, important secondary materials, transport, services, and credit are properly balanced according to mandatory norms and signed contracts, and should receive material rewards or penalties, depending on results attained in plan implementation. For the immediate future, all instances of authoritarianism and useless intermediary steps, tedious and slow procedures, and other negative tendencies must be eliminated.

The Central economic Research Institute is to research and propose to the Standing Committee of the Council of Ministers regulations on the system of responsibilities among functional agencies--planning, finances, and pricing--for results of plan implementation by the enterprise.

--The economic arbitrator should be more active in the process of signing and implementing economic contracts, and contracts must be more extensively

applied and increase in quality. The central-echelon economic arbitrator was to propose specific new regulations on economic contracting for discussion by the Council of Ministers at the end of 1984.

III. Economic Accounting

Economic accounting is a method of planned and thrifty management for socialist enterprises. Implementation of economic accounting requires that the enterprise correctly use the principles of economic accounting in the process of organizing its production and business management.

--The enterprise must uphold its right of initiative in production and business and the right of financial independence under the centralized leadership of the state.

--In production and business activities, the enterprise must use its own income to pay expenses and must operate at a profit.

--The enterprise is encouraged by material benefits and must take material responsibility for results of its activities.

--On the basis of accurate accounting and using money to measure expenses and results of economic activities, the enterprise, as well as agencies on the echelon above it and financial and banking agencies, must perform monetary inspection and supervision over the production and business activities of the enterprise.

Presently, state-operated enterprises still have generally not fully adopted economic accounting. This is a very weak link characterized by formalism, with planning not yet tied to economic accounting. True expenses of the enterprise are not yet fully accounted for, and planning discipline, economic contract discipline, and financial discipline are not yet strictly executed. There is still much waste in production and business, and economic effectiveness is still low.

Implementation of good economic accounting in enterprises is primary among important tasks in the effort to reform the present economic management practices. The resolution makes specific provisions for enterprises regarding the organization of economic accounting and the responsibilities of management agencies on the next echelon up toward fulfilling prerequisites and prerequisites for enterprises to use economic accounting.

For the immediate future, necessary production expenses must gradually be accounted for among costs, and efforts to increase productivity and raise quality and effectiveness must be promoted, along with efforts to overcome negative tendencies, lax management, and irresponsibility, guaranteeing that the enterprise does a profitable business.

1. The Ministry of Finance has the responsibility for systematizing the financial independence of the enterprise and determining material rights and

responsibilities of the enterprise. On that basis, the enterprise determines the material rights and responsibilities of shops, production units and teams, organizational units, and each worker in the enterprise.

2. Perfecting Economic and Technical Norms

During the 1984-1985 time frame, the State Planning Commission, the State Science and Technology Commission, the Ministry of Labor, sector management ministries, provincial and municipal people's committees, and basic level units should reexamine norms currently in effect, make any necessary corrections or amendments, set advanced average norms for each sector or group of enterprises for use as a foundation for formulating supply plans, accounting, and evaluating the effectiveness of production and business of the basic-level installation.

3. Changes in Cost Accounting

The State Planning Commission was to lead the Ministry of Finance and the State Price Commission in submitting a system of costs for discussion by the Council of Ministers in December 1984.

In 1985, all state-operated enterprises and joint state-private enterprises are required to calculate planned costs according to economic and technical norms promulgated in the financial and pricing program of the state, and must strictly account for real costs. When inspecting for plan completion, discrepancies between planned costs and actual costs must be analyzed, examined, and appropriately dealt with, so that improper expenses are eliminated, such as increases in expenses beyond economic and technical norms for subjective reasons, arbitrary price hikes beyond those of state guidance, amounts paid in fines for violations of economic contracts, and payments not in keeping with correct procedures.

The State Planning Commission, in coordination with the State Price Commission and the Ministry of Finance, is responsible for leading enterprises to gradually include among costs all expenditures for wages, capital depreciation, and the cost of imported materials. It is likewise responsible for researching means of handling factors causing cost increases. While awaiting new policies and procedures, the Council of Ministers has temporarily decided on the following:

a) Regarding costs of materials invested in production:

--Materials supplied by the state must be costed at the level provided by state guidance.

--Materials obtained by the enterprise itself (including import materials) are to be costed according to the actual price at which they were purchased within the price framework set by the agency given authority by price management regulations.

b) Regarding depreciation of fixed assets:

--The Ministry of Finance, along with concerned sectors, will urgently carry out liquidation appraisals on fixed assets during 1985 and will change procedures for deducting depreciation so that they are more rational.

The following must be done immediately:

--The depreciation rate for major repairs must be increased in proportion to the cost of materials, spare parts, and expenses for repair of permanent assets.

--For basic-level production installations and products for which the enterprise wholesale price can be adjusted in proportion to cost increases without greatly influencing the industrial wholesale price or the wholesale price of materials, necessary capital depreciation must be deducted in accordance with the price of fixed assets and a more rational depreciation period.

--For fixed assets that have been totally depreciated, yet continue to be used in production, capital depreciation will continue to be figured into product costs; the enterprise may put this depreciation into the enterprise's incentive fund for increasing production, not into the treasury.

--The enterprise must continue to depreciate fixed assets not yet totally depreciated but not used in production due to disrepair; the enterprise may not declare this depreciation among costs, however, but must take it out of enterprise profits.

c) Wages are to be fully accounted for among costs.

d) From 1985 on, economic accounting will be done within the enterprise:

--in shops, to include accounting for products, materials, equipment, labor, wages, and conservation practices;

--in teams and production units, to include accounting for products, materials, labor, and wages;

--as for labor groups and individual laborers, accounting will be done for results in implementing norms, product contracts, and work contracts.

5. There must be strict compliance with state bookkeeping procedures, the initial recording procedure, the state inspection and control system, and the system of final statements regarding finances and materials.

The General Department of Statistics and Ministry of Finance were to propose for approval by the Council of Ministers at the end of 1984 changes in the industry bookkeeping and statistics system appropriate to the new management system; instructions need to be written that are complete, yet practical and simple.

6. Regular analysis must be performed on economic activities in the enterprise, shop, and production team and unit, comparing them with planning standards and economic and technical norms and considering all three aspects of productivity, quality, and effectiveness.

IV. Economic, Financial Policies

The new make-up of socialist business and economic accounting and planning must be given form via the policies of economic leverage promulgated by the state. New policies which the resolution set regarding enterprise finances, credit, prices, profits and profit distribution, wage labor, promoting export goods, and promoting the adoption of scientific and technological advances are important aspects of the effort to encourage enterprises to develop a strong spirit of initiative, ingenuity, and financial independence in the rational and effective use of every potential of the enterprise to complete and surpass goals of the state plan and achieve high quality and effectiveness.

1. Enterprise Finances

The Ministry of Finance changed a number of systems to enable the enterprise to put financial independence fully into practice--specifically by:

a) Enabling the enterprise to have the capital needed for production and business operations, including:

On-hand funds--the enterprise can establish and expand on-hand capital from various sources.

Capital issued from the budget according to procedures currently in effect, including fixed and liquid assets.

Incentive funds for developing production.

Capital depreciation deductions left for the enterprise.

Capital depreciation deductions on fixed assets fully depreciated but still used in production; fixed assets capitalized through investment of on-hand funds of the enterprise or funds borrowed from the bank.

Foreign currency from authorized sources.

Capital from other sources regulated by state policy.

Assets on hand the previous year transferred to the next, which do not have to be turned over to the state treasury.

--Capital construction investments for large projects and special projects are issued by the state. Small construction projects with in-depth investment are financed by enterprises out of their own on-hand funds, with shortages financed by bank loans.

--Liquid assets: With enterprises that have recently gone into production, the state issues 50 percent of normative cash funds; the enterprise borrows the rest from the bank. The enterprise must supplement its liquid assets annually from on-hand funds. In case of a change in production mission, in supply costs, or in wages, the Ministry of Finance, State Bank, and managing ministry must make timely decisions on the cash asset norms for the enterprise.

b) The Ministry of Finance is to make timely proposals of systems for discussion by the Council of Ministers.

--A system for leaving capital depreciation deductions to the enterprise for its use in sustaining the productive potential of fixed assets and to adopt innovative techniques. Depending on the nature of each enterprise's fixed assets and its need for technical innovation, a portion or the entire amount specifically set by the Ministry of Finance and the ministry in charge can be left to the enterprise.

--A system for the enterprise to receive profits and appropriate funds.

--Other systems.

2. Credit

The State Bank must promptly examine the reasonable needs of enterprises and lend them funds to ensure production and business. It must also make more loans to enterprises for improving techniques, rationalizing production, expanding production, and exploiting materials. Priority attention must be given to making loans for investments with effectiveness and rapid returns.

The bank must rationally determine the amount of money to keep in vault storage, regulate lending and cash withdrawal procedures, and promptly respond to the needs of the enterprise for expanding production and business according to the new management system. Between the enterprise and the bank there must be plans and contracts for depositing and withdrawing funds in order to ensure the continuation of production and business, especially for the purchase of raw materials that are seasonal. The enterprise must correctly implement the system of depositing cash amounts and cannot violate the state's procedures for cash management; the bank must respond promptly to the enterprise's legitimate needs for cash and cannot be possessive and troublesome to the enterprise.

Improving credit operations provides advantages to the enterprise when it borrows money, and at the same time ensures that loan use management will be according to objective and effective.

The State Bank lends foreign currency to enterprises capable of repaying it in order for them to import supplies, raw materials, fuel, spare parts, and equipment for expanding production and improving techniques, producing export

goods, and producing goods to replace imports; the enterprise must pay the principal and interest to the bank in foreign currency.

To ensure that debts and interest are paid in foreign currency, enterprises are permitted by the Council of Ministers to obtain loans directly from foreign countries secured by the state bank in order to import materials and equipment for production development, can open foreign currency accounts at the State Bank, and can use these accounts in accordance with state regulations on the management of foreign exchange.

The State Bank performs the role of an account settlement center for promoting the rapid turnover of capital in the national economy, contributing to resolution of problems caused by economic units that withhold funds from others and allow debts to drag on between them. In instances of payments being overdue, the bank will notify the enterprise withholding payment and has the right to deduct money from the bank account of that enterprise and transfer it to the enterprise from which the funds were withheld.

3. Prices

a) Enterprises must calculate costs according to principles of accounting for production expenses provided for in the section on economic accounting.

b) Implementation of the system of enterprise wholesale prices is managed by the Central Committee and by the locality in reference to the products of state-operated enterprises and joint state-private enterprises.

The enterprise wholesale price is determined on the basis of reasonable costs added to the normative profit determined in Point 4.

Costs forming the basis for determining enterprise wholesale prices are calculated according to the advanced average norm for waste of materials and labor waste set by the authorized echelon; they are by regulation categorized by:

--Production conditions of each enterprise or group of enterprises with relatively equal production levels.

--Materials used in production supplied by the state or obtained by the enterprise itself.

c) As for retail prices of the enterprise--they are assigned as announced by the regulation on price management enclosed in Resolution No. 33 of the Council of Ministers, dated 27 February 1984, which specified that:

--important products must be priced according to the guidance price; and

--other products are to be priced dynamically within the framework of the pricing guidance of the authoritative agency, which is determined by the state's work division and management distribution.

Enterprises furnishing products to enterprise federations, to state-operated trade corporations, and to general corporations for distribution can use enterprise wholesale prices to settle accounts. The difference between the enterprise wholesale price and the industrial wholesale price is collected by the state and deposited immediately and fully in the state treasury when the product moves from the production stage to the distribution stage. The enterprise has the task of collecting and depositing this difference in the state treasury for the distribution organization when the product is turned over to the distribution organization. If the consumer price set by the state is less than the wholesale price approved for the enterprise, the state treasury will compensate the distribution organization. Direct sales by enterprises to consumers must comply with the state income system, at prices set by the state. The Ministry of Finance provides specific guidance on accounts and accounting procedures.

The Ministry of Finance and the State Price Commission will set the specific percentage due to the state treasury and the percentage to be left to the enterprise when there are other price differences (if any).

Enterprises must formulate a price plan and follow the correct procedures for requesting approval of prices according to the regulation on price management. Price agencies must approve prices for enterprises within 30 days--15 days, in the case of seasonal products and raw materials--from the time the price plan is received in the correct format and with the required contents. After that deadline, the enterprise has the right to do business at the prices proposed in the plan.

Enterprises must correctly comply with the state regulation on price management.

4. Profit, Profit Distribution

a) Normative profit is calculated as an appropriate percentage over costs approved and regulated for groups of sectors as follows:

--Mining; natural gas extraction; and geological survey and exploration: 15-20 percent.

--Forestry or marine exploitation; rock, sand, and stone mining; metallurgy; and manufacturing machinery: 13-18 percent.

--Basic chemicals; chemical fertilizers; insecticides; forged construction materials, porcelain, and glass; and pharmaceuticals: 10-15 percent.

--Electric power; paper; leather; sewing; and book and newspaper printing: 7-12 percent.

--Consumer chemicals; weaving; dying; food industry; cultural products; and other industrial sectors: 5-10 percent.

Along with the State Price Commission and related sectors, the Ministry of Finance sets the specific percentage for each sector and for each product in each sector and directs the ministries and provincial and municipal people's committees to determine the percentage of normative profit for other products according to the state's categorization of price management.

The normative profit for goods produced from materials the enterprise has obtained for itself and recorded in the plan are assigned a normative profit equal to the amount assigned a similar product made from materials supplied by the state.

b) The profit realized by the enterprise is distributed as follows:

--With products within mandatory norms:

-If they are products for which the materials were supplied by the state, 50 percent are left to the enterprise and 50 percent are turned over to the treasury (both the central treasury and local treasury);

-If they are products for which the materials were obtained by the enterprise for itself, 60 to 80 percent are left to the enterprise and 20 to 40 percent are turned over to the treasury (central and local). The Ministry of Finance and concerned ministry set the specific norms for each industrial sector; the determination will depend on whether registration was at the beginning of the year or was entered supplementally in the process of implementing the plan.

--With products exceeding mandatory norms, after state income and taxes are paid, any profit received is to be used to build up the three funds of the enterprise.

After accounts are settled on such payment obligations as penalties for violating economic contracts, penalties for late payments on bank loans, and unreasonable, improper payments not accountable for in costs, profits left to the enterprise (considered as 100 percent) are distributed among funds in the following percentages:

--At least 35 to 40 percent, depending on the production sector and its maximum limit, are deposited in the production development incentive fund and are used to supplement the normative amount of cash on hand; 1 to 3 percent of this amount is designated for the centralized fund at the enterprise federation, ministry, or office.

--The amount left after setting aside 1 percent for the minister (and general manager of the enterprise federation or general corporation, if applicable) goes into the welfare fund and awards fund. The enterprise director, along with the trade union, decides the percentage to go to each fund, with about one-third generally going to the welfare fund and two-thirds to the awards fund.

If the awards fund surpasses 30 percent of the basic salary fund, the enterprise must pay the state treasury a percentage of the amount in excess of quota, the specific percentage to be determined by the Ministry of Finance.

Plans for the use of welfare funds left to the enterprise are to be made by the trade union local and the enterprise director and brought up for discussion and resolution in conferences of workers and civil servants. The general trade union and Ministry of Finance provide guidance in the use of the enterprise's welfare fund.

The above system of profit distribution applies to enterprises that have implemented the system of enterprise wholesale prices. For enterprises that have not yet implemented enterprise wholesale pricing as directed above (paragraph 3, "Prices"), the enterprise can only set up an awards fund and a welfare fund at a maximum of 10 to 15 percent of the basic salary fund and a production development incentive fund as determined by the Ministry of Finance; profits left after deductions for obligatory payments that cannot be included among costs must be turned over to the treasury.

5. Labor, Wages

The Ministry of Labor, with the State Planning Commission, leads ministries, general departments, and provincial and municipal people's committees in the guidance of enterprises to perform the following tasks well:

Expanding the use of product contracts in agriculture. On the basis of the enterprise plan approved by the management agency of the level above it, the enterprise contracts with shops (offices, or departments), and the shops contract with production units and teams. Collective contracting with production units and teams is the basic form of contracting; depending on the concrete situation, units and teams may contract with each individual.

Regarding labor norms: present norms are to be examined, and norms must be set where they do not exist, especially regarding the main products; based on advanced average norms, they must be adjusted, supplemented, and reformulated to be in keeping with the present realities of production conditions, ensuring that each product has labor norms approved by the level with authority.

The salary unit for one product unit or amount of salary for 1,000 dong of product output value is formulated on the basis of carefully managed quality standards and labor norms and according to the wage policy, which ensures labor reproduction.

The Ministry of Labor and the State Planning Commission monitor labor norms and salary units per product unit for products on the list of important products.

The plan's salary account of the enterprise is established on the basis of the salary unit for one product unit (or the amount of salary for 1,000 dong of

product output value) and planning norms for product output value achieved and products turned over.

Monthly, the enterprise receives wages according to the plan's salary account; the account is settled each quarter; at the end of the year, the enterprise formulates a final statement on the salary account according to the product output value achieved and products turned over (including the difference between the last period and the first period of products stored in warehouses and semi-finished products in reference to products with a long production period) in order to increase or decrease the salary account. When plan goals are surpassed, the enterprise receives an appropriate increase in salary funds; if the plan is not completed, salary funds are decreased an appropriate amount--when deciding whether to decrease salary funds, all causes must be examined carefully to take appropriate action. If the causes were subjective, the enterprise must withdraw funds from its awards fund or must take a loan from the bank to repay the bank for salary funds previously drawn in excess of norms (the bank provides specific guidance).

Within the limits of the salary and bonus funds received, the director of the enterprise has the authority to use forms of salary and bonus payments that are appropriate for tying salary and bonuses to production results and profits.

The Central Institute of Economic Management Research, along with the Ministry of Finance and the Ministry of Labor, is reviewing data from experiments in allowing enterprises to manage the issuance of ration stamps for a number of critical goods for issue to workers according to the quantity and quality of their work and according to labor productivity.

The director has the authority to select workers to work at the enterprise and can terminate the practice of following the established system of the state to respond to the needs of production. Workers and officials have the right to apply to quit work if they have good reason and follow the procedures established by the state. The use of contract work is to be expanded. The Ministry of Labor is studying and testing the labor contract system at the enterprise for submission to the Council of Ministers for decision.

6. Encouraging Production of Export Goods

The normative profit from products exported is higher than the profit from products of the same type manufactured for domestic consumption by from 10 to 20 percent.

Enterprises that produce export goods enjoy "the authority to use foreign currency" in accordance with current regulations and have foreign currency accounts to develop production.

The Ministry of Foreign Trade and Ministry of Finance are studying the feasibility of redistributing this "authority to use foreign currency" and profit to units participating in the production of goods that have been exported.

Goods produced to replace goods that have had to be imported for a long time, if they meet standards of quality, can also earn profit incentives, as with goods exported over a period from 1 to 2 years, depending on the products and the decision of the State Planning Commission. Ministries, general departments, and the chairmen of provincial and municipal people's committees, based on the needs of the enterprise, propose to the Chairman of the Council of Ministers that a portion of the foreign currency be left to the enterprise to renovate machinery and equipment and import supplies needed for production.

Enterprises that manufacture a large volume of export goods, have stable plans, and have permission of the Chairman of the Council of Ministers can deal directly with foreign markets and can form organizations specializing in import and export, or are allowed to form joint efforts with foreign countries under the unified management of the Ministry of Foreign Trade as far as state management is concerned.

7. Encouraging Research, Use of Scientific, Technical Advances; Raising Product Quality; Practicing Conservation

If the enterprise successfully applies scientific and technical advances and ideas for improving production organization and management and thereby creates new goods, reduces expenses, and raises economic effectiveness, it is to receive the portion it was able to save over a 1- to 2-year period, counting from the date that production was stabilized, in order to supplement funds of the enterprise and to award individuals and collectives inside and outside the enterprise that participated in that effort.

When an enterprises raises product quality, according to norms established by the state, the price is raised appropriately; if product norms are not met, the price is reduced accordingly and, depending on each product, permission may be denied to distribute the product or continue production. The State Price Commission, Ministry of Finance, and State Planning Commission provide specific guidance.

Based on the above principle, the Ministry of Finance will provide specific guidance on the award system.

8. Improving Supply and Supply Management

a) The Ministry of Supply researches and submits to the Council of Ministers:

--proposals for changing over from the present passive system of supply to one of supply operations based on economic accounting, expanding operations beyond supplies managed centrally by the state, and distributing supplies in response to the requirement for expanding initiative in production and business on the basic level.

--needed improvements in the system of managing rejects and substandard products in order to put such materials to the best use.

b) The Ministry of Supply, Ministry of Communications and Transportation, Ministry of Interior, and production management ministries with the means of ensuring that materials are supplied in correct quantity and quality and at the right price, location, and time and according to plan and contract, reducing costs for transport and handling, reducing loss, stopping corruption, and increasing advantages for the user.

For supply and transport organizations, awards and punishments must depend on results achieved in contract implementation.

c) Sectors, the local level, and the basic level must continue to be supervised to strictly implement the system of accounting for supplies according to norms of supply distribution and according to real output created.

9. Product Distribution

Distribution must be guaranteed for goods produced by enterprises, and they must be turned over according to the state plan and according to economic contracts to goods and supply circulation organizations of the state or to family businesses allowed to receive goods directly from the enterprise. The practice of the enterprise providing goods directly to the consumer must be expanded for fresh, highly perishable products, products difficult to transport, materials produced for specialized production of a few sectors, and export goods.

The enterprise may use the portion of its products made from savings and by-products to exchange them for production supplies, but there must be a plan approved by the management agency on the level above the enterprise. It can also buy a portion of the by-products at the industrial wholesale price for sale to workers and officials to use if there is a need for them; norms are established by the minister or the chairman of the provincial or municipal people's committee and must be included in the plan of the enterprise. Products must absolutely not appear on the market by this route, causing difficulties for market management.

Enterprise product distribution organizations are responsible for receiving goods within the deadline set in the contract. Failure to meet deadlines must be dealt with according to the contract signed by the enterprise with agencies and other enterprises (especially with fresh products and products hard to store). The distributor must compensate the supplied organization for damages caused by late receipt (except for export products, which are regulated separately).

Enterprises with the capability to do so are permitted to open shops to introduce new products and to sell some byproducts with the agreement of the home trade sector. They can also start service installations to repair products manufactured by the enterprise, but they must observe all the regulations of the state on organizing circulation of goods and services.

V. Rearranging Management Machinery; Increasing Training, Development of Management Cadres, Technical Cadres, Technical Workers

To increase the management ability of management agencies and management cadres at all levels and their effectiveness at organizing guidance, to ensure that the new management structure is fully implemented, and to increase discipline and responsibility in industrial management, all levels must consider it critical to comprehensively and systematically reorganize the management organization, from rationally restructuring and fully determining the mission, function, and rights of management levels to reforming the system and working style, training, development, and assignment of cadres. For the immediate future, the resolution emphasizes the full implementation in enterprises of the formula, "The party leads, the working people exercise collective ownership, and the state manages," in the regulation of management agencies above the enterprise, and it stresses raising quality of cadre and worker training and development.

1. The formula, "The party leads, the working people exercise collective ownership, and the state manages," is to be fully implemented in enterprises, in coordination with the new management structure. Coupled with the expansion of initiative and management independence of the enterprise, the leadership of party levels, the authority of directors and management agencies on the level above to manage, and the participation of the collective in the big decisions of the enterprise must all be ensured, and workers and officials must perform more inspection and supervision over every activity of the enterprise and director.

The basic level party committee must lead party organizations, mass organizations, and worker collectives to educate party members and the masses to fulfill their responsibility and inspect the activities of management agencies and personnel in charge according to the rules and regulations of the party.

The full implementation of regulations of the Council of Ministers on socialist collective ownership of workers and civil servants at basic-level production and business units of the state was promulgated by Resolution No 182/CP, dated 26 April 1979. The installation manager and trade union convene meetings of the representatives of the workers and civil servants (or meetings of the entire membership) to participate in and oversee management according to the rules of the trade union and resolutions of the Council of Ministers.

The installation manager is the person appointed by the state, considering the opinions of the workers and civil servants of the installation. The director represents the state in managing the enterprise and is the highest ranking official, responsible to the state and to the level directly above him for all aspects of activity, for production and business results, for protecting the enterprise, and for the livelihood of the workers and civil servants. The mandatory orders of the director must be strictly followed by every cadre, worker, and civil servant in the enterprise.

The director maintains relations with the trade union and the youth group according to the rules and regulations of the state. He disposes favorable conditions for cadres of the trade union and youth group to operate in.

Enterprise councils are to be formed in all enterprises. The enterprise council is an advisory organ to the enterprise director which has the authority to discuss plan drafts, plan policies, and the training and development of cadres and workers.

The Central Economic Planning Institute, the Vietnam Confederation of Trade Unions, and the Central Industrial Board were to draft regulations on enterprise councils and present them to the Council of Ministers for discussion at the end of 1984.

2. Ministries, general departments, and provincial and municipal people's committees must reexamine, supplement, or change policies, or formulate new policies regarding the organizational machinery, regulations, and make-up of the effort so that it is in keeping with the new management system. They must heighten management discipline, especially in the system of releasing decisions and implementing decisions and the reporting system, and must strictly punish according to law all instances of false reporting.

Each enterprise must specify the norms and responsibilities of management cadres and technical cadres in the unit. The planning and preparation of reserve cadres must be performed well.

Ministries, general departments, and provincial and municipal people's committees must choose skilled cadres to serve as general directors of enterprise confederations and general corporations and managers of important corporations, enterprises, and joint enterprises.

They must also increase and improve the training of economic cadres, especially key cadres on the basic level. The Central Economic Research Institute must conduct good specialized training classes for general directors of confederations of enterprises and directors of large enterprises.

They must institute the various levels of training in economic management for promoted enterprise leadership cadres by means of short courses held every 3 to 5 years.

Industrial management ministries and general departments must regularly train science and technical cadres in scientific and technological advances in their fields.

Ministries, general departments, and provincial and municipal people's committees must plan coordination of joint training of technical workers at regular schools with additional training and skill development at production installations.

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ECONOMIC PLANNING, TRADE AND FINANCE

SOCIAL, ECONOMIC, POLITICAL CHANGES IN HAIPHONG

Hanoi DOC LAP in Vietnamese 1 May 85 p 4

[Interview with Nguyen Dan, chairman of Haiphong's People Committee, on the occasion of the 30th anniversary of the liberation of Haiphong (13 May); date, place and interviewer not specified]

[Text] Question 1: In light of the resolutions of the Fifth VCP Congress and Resolutions Six and Seven of the central echelon, what changes has Haiphong made in the fields of agricultural and industrial production, capital building, export and import?

Answer: Haiphong is a city of concentrated industry, with a big port, a vast rural area, and a lengthy coastline with many beautiful tourist zones and resorts.

On 13 May 1955, when the city was completely liberated from French colonialist oppressive yoke, the municipal laboring people rose up to master their own lives. In the past 30 years, with revolutionary aggressiveness, the army and people of Haiphong City have fostered the traditions of loyalty, valor, and determination to win of the port city, overcoming all hardships and difficulties, and always doing their utmost to develop and defend the city.

In recent years, guided by the resolutions of the Fifth VCP Congress and Central Committee, Haiphong has begun to generate changes in its economic and social life. Most illustrating is that the city has succeeded in renovating the managerial structure in agricultural production, capital building and in other economic sectors, diligently switching from a bureaucratic administrative system based on fixed allocations regardless of productivity, to economic accounting and socialist business. From that approach, many advantages have emerged, prompting the masses to work with revolutionary fervor in many economic and social fields.

Fully aware of the central echelon's views on agricultural development, Haiphong considered it a leading task, boldly mulling over, seeking out and applying industrial management methods to agriculture in a creative manner. While expanding product contracting to laboring groups

and individuals, the city has diligently taken uniform production management measures, applied scientific and technical measures, increased in-depth investment in building material and technical bases to the tune of billions of dong, strengthened ideological and organizational work, and set policies of economic levers in motion, so that municipal agriculture could advance in a comprehensive, steady and firm way. Results were quite encouraging. In 1982, the city exceeded the 5-ton mark; in 1983, productivity was raised to 6.39 tons per hectare; and in 1984, natural calamities notwithstanding, the city continued to maintain rice yield in the neighborhood of 6 tons per hectare. The grain obligation has always been fulfilled throughout the years. Haiphong has met 70 percent of its grain needs, reducing from one-half to two-thirds the volume of grain usually allocated by the central echelon to localities. Peasants in Haiphong have begun to experience fundamental changes, and the living conditions of 800,000 of them have stabilized and gradually improved. The movement to build brick houses has developed with vigor. Over 68 percent of households now own a house erected with bricks and mortar, with many villages in Thuy Nguyen, An Hai and Cat Hai districts reaching from 90 to 100 percent.

In general, industrial, small-industry and handicraft production still suffers a serious imbalance in terms of energy and supplies. Our city has utilized and fostered all existing potentialities to create a new equilibrium, enabling local industry, small industry and handicraft to maintain production at steady levels until they are able to develop it. As a result, in past years both local and central industries have fulfilled plans, exceeding them from 3.4 to 5.4 percent in 1983--a 6.7 to 14.8 percent increase over 1982. In 1984, local industry, small industry and handicraft overfulfilled plans, surpassing the norms set by the Eighth Congress of Municipal Party Organizations before the year was out--an 8 percent increase over 1978, a record year.

In the battlefront of capital construction, in recent years the central echelon has allocated less and less capital; nevertheless, our city has been able to generate startup funds to build major projects, due to an effort to accelerate exports and imports, tourism, and the service business, and to put in practice the motto of "the state and the people, the central echelon and localities, the city and wards, districts, subwards, and villages, working together." It can be said that the peak period is from 1980 to 1984, with a total investment of 3,565,000,000 dong, including 567 million for industry, 990 million for agriculture, 634 million for communications and transportation, 832 million for public activity projects, and 447 million for housing construction. In 1984, especially, total investment by the central echelon attained 98 million dong, while the city provided 750 million dong.

Owing to well-directed investment and on-schedule completion of building projects, Haiphong has, since 1982, built four large culverts (Bat Trang, Cong Ro, An Son and Cai Tat) and three bridges in precast

concrete (the Rao, Niem, and An Duong bridges), enlarged five city gates, and speeded up work on transforming lanes and alleys, and on providing sanitation facilities, electricity, and water to all city subwards. Sea dikes, including Dike 14 and Vinh Quang (Tien Lang) and Gia Minh (Thuy Nguyen) dikes, and the road to Dinh Vu Island have opened up more than 10,000 hectares of land to farming--an area equal to any Haiphong district. The transisland road project adding 38 kms to National Highway 5 in the direction of the coast to transform Cat Hai, Cat Ba and Dinh Vu islands into a peninsula, was designed not only to welcome tourists, but also to create a secure people's war position, by moving the frontline forward.

Digging of the Cai Trap Canal to make the Quang Ninh-Haiphong sea route shorter has actively begun. Once completed, that project will bring about economic efficiency--with hundreds of millions of dong worth of fuel to be saved each year--and add another defensive line to the city.

Furthermore, the city is renovating and developing the Doson tourist-service zones to accommodate 1 million tourists coming there to bathe and rest. Marking 30 years of liberation of Haiphong, 3 new major projects will be inaugurated and put into commission this year--converting and expanding Cat Bi Airport to serve national defense and civilian needs; building the Lach Tray 110 kv power transformer to receive electricity from Pha Lai and Hoa Binh; and turning the Lap River into the Tam Bac Lake, where a cultural-tourist-service center will be erected to improve the living environment at the heart of the city.

External economic activities, especially export and import, considered a strategic task for the city, have been accelerated, playing the role of a lever to improve production and livelihood, and renovate and develop the city. In recent years, knowingly availing itself of the advantages of a port city, Haiphong has built a local fleet of seagoing ships and new piers to expand exports, imports, tourism and the service business. As a result, its total export value has increased year after year. In 1984, it was up more than 700 percent from 1980.

The distribution and circulation battlefront is experiencing new progress. Consolidation of socialist trade has taken place, simultaneously with control over small merchants, and market transformation and management, raising total retail value in the organized market to 70 percent of the socialist market in 1984, and ensuring adequate supply of quota goods to workers, civil servants and the armed forces. City revenue has increased year after year, leading to a balance between receipts and expenditures; the cash overdraft has decreased year after year, and the city has begun to enjoy a surplus.

Question 2: Comrade Chairman, would you please tell us how far--and in what direction--the city will go to develop a number of thrusting economic sectors in the years to come?

Answer: Our city has affirmed that in the years to come agriculture will remain a leading battlefield, a pressing and decisive push directed at grain and food production, and designed to play the role of a lever and capital raiser; at the outset centering on export, import, tourism and the service business; but fundamentally, and on a long-range basis, always aiming at industrial production and exploitation of potentialities of a municipal port and a marine economy.

In recent years, under the wise leadership of the party Central Committee and the Council of Ministers the city has achieved victory and progress, diligently striving to attain 6.5 tons of paddy per hectare in 1985, and from 7 to 10 tons per hectare in the late 1980's. Working toward that goal, Haiphong has endeavored to achieve grain self-sufficiency in the city, reducing allocations by the central echelon and laying the groundwork for a grain reserve in anticipation of unexpected events.

Industry, small industry and handicraft, capital construction, communications and transportation, fishery and salt production, and other economic branches have done their utmost to gradually expand their activities and rapidly increase production in both state and collective sectors; and rearrange state industry production and capital construction, so as to develop a logical economic structure, foster the strong points of sectors, localities and basic installations, strike a dynamic balance, reestablish socialist order in production and business, create conditions for the new managerial structure to reach high economic efficiency, and fulfill state norms higher than those of the previous years, using this as a diving board for more rapid and vigorous development in the following years.

In terms of external economic policies, our city has speeded up business in all three directions--export and import, maritime transportation and tourism and services. It has carried out price and credit policies with flexibility to incite sectors, wards, districts, villages and subwards to produce merchandise for export; increased business ties with other provinces and cities to acquire additional sources of goods; and maintained and gradually developed business relations with foreign markets previously approved by the central echelon. Our city has also expanded tourism and the service trade to generate capital for gradually building material and technical bases, making it possible for Haiphong to grow into a commercial center in the years to come.

In the distribution and circulation field, our city has improved the network of state commerce and marketing cooperatives from municipal to grassroots levels, paving the way for the state to control the entire wholesale business and from 70 to 80 percent of the retail

sector; strongly reformed business formulas in the direction of socialism; and accelerated control over small merchants, and market transformation and management.

In the past few years, resolutions by the central echelon coupled with production and business realities have opened up for our city an extremely important basis on which to continually and vigorously foster the laboring people's spirit of collective ownership and the city's all-inclusive strength--a basis which enables us to move rapidly and firmly on the road of socialist building, to make the municipality richer and more beautiful; and to turn it into a modern port city with developed industry and agriculture, a center for export, import, tourism and services, and also a steel fortress against aggression.

On this occasion, we would like to thank DOC LAP Magazine and its readers for, during the recent past, showing friendliness and generosity in following closely the upward march of our city. This also is a source of inspiration for our compatriots, cadres and combatants in Haiphong to do their best to emulatively build it into a bigger, more colorful and more beautiful city, as the revered and beloved Uncle Ho had always wished.

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ECONOMIC PLANNING, TRADE AND FINANCE

PRIVATE OPERATORS BESET HANOI CIGARETTE MARKET

Hanoi HANOI MOI in Vietnamese 20 Apr 85 pp 3, 4

[Article by H.L.: "Management of Cigarette Market"]

[Text] Cigarettes are not indispensable to daily life but are a necessary product for many other requirements. During the past few years, due to various difficulties and lax market management, the number of private merchants selling cigarettes in Hanoi has been fairly large. Besides the number of merchants conducting wholesale sales, there are about 1,000 coffee shops and more than 10,000 individuals selling "basket" cigarettes concentrated at a number of points. They trade in many brands of domestic and foreign cigarettes and, depending on the location and especially when state trade has insufficient supplies, have at times created a cigarette "fever" to extort the consumer. Through inspection of a number of locations selling cigarettes, responsible agencies have apprehended many people making bogus cigarettes for sale on the market, thus endangering the lives of the consumer.

Since August 1984, Hanoi has carried out unified management of the cigarette business. The organization of purchasing, acceptance and distribution of cigarettes by state trade has been perfected and the wards and districts have coordinated in market management. Soc Son and Ba Vi Districts, tobacco raising areas, have given attention to management from the time the tobacco leaves the field and have instituted methods of encouraging the farmers to sell surplus products to the state instead of allowing them to flow haphazardly.

As for the trade sector--representative is the retail department store which is responsible for cigarette management within the municipal area (consisting of receiving the cigarettes from the factories and the Central Cigarette Corporation in accordance with the plan and economic association in order to grasp additional cigarette sources of the local areas and factories). Not stopping at that, in order to assure the interests of the consumer, the trade sector also organizes the retail sales network for convenient service to the customer. The merchandise stores have more than 100 retail sales points for cigarettes, nearly all inner city ward marketing cooperatives serving as cigarette sales agents for state trade and have organized a network of leg men to sell cigarettes and tobacco on the streets, in collective areas and at train and bus stops. The cigarette agents for state trade receive a commission of .3 dong per pack and a trade discount of 1 percent. Private tobacco retail sales agents receive the difference between the sales price of pack cigarettes and that of pipe tobacco (depending upon the type of tobacco, about 3 to 4 dong per pack, to compensate for bad tobacco and for sales fees).

Along with expansion of the retail cigarette sales network, there is also coordination between the sectors and the wards and districts in strengthening market management and inspecting achievement by the agents, the marketing co-operative stores and state trade. Regulations of the trade sector are disseminated to the agents on selling at the correct stipulated price and conducting retail sales of only state produced cigarettes, not additionally selling shredded tobacco and foreign cigarettes, etc. Depending on the characteristics of each location, the wards and districts have forms of classifying and appropriately prosecuting those illegally selling cigarettes. The primary method is to encourage and persuade the private operator to stop the retail sale of cigarettes and shift to another job. At the same time, market management teams have intensified inspection, prosecution of violators and, for those major private operators engaged in intentional and obstinate operations, resolute prosecution. Inspections have uncovered a number of households harboring large quantities of domestic and foreign rolling paper and tobacco, cigarette packs, etc. Inspections have also discovered many households stocking various types of film, photographic paper, modern drugs, etc. for sale. Hoan Kiem and Hai Ba Trung Wards and Son Tay City, locations with large concentrations of private merchants selling cigarettes, due to many synchronized methods, have eliminated all of these "contractors" from the Dong Xuan, Bac Qua, Mo Nghe, etc. markets.

After 8 months of state unification of the cigarette business in Hanoi, there are generally speaking no great fluctuations as before and expansion of the retail sales agent network has initially answered part of consumer requirements. The results attained indicate that management of the cigarette business in the city could be better with widespread support of public requirements if a number of obstacles in business and management were promptly resolved.

One problem of concern is in the aspect of comparing customer preferences with the supply capabilities of state trade which are really still lacking in variety. The only unfiltered cigarettes seen are Sa Pa and Song Cau. Of these two brands, Song Cau cigarettes are preferred by many but are scarce with none at all available at some locations, adversely affecting the market and the consumer. In filter-tipped cigarettes, there are also only the Du Lich, Hanoi, Bach Dang and Bong Sen brands.

Another related problem is that of unstable prices. Since the beginning of management unification, the price of Song Cau cigarettes alone has risen from 15 dong to 23 dong per pack. Naturally, changing state prices will be followed by retail prices, not counting the prices charged by those extorting the consumer. Meanwhile, when sales are slow in some brands of filter-tipped cigarettes not preferred by consumers, there is no prompt reduction in price but often a "loss of flavor" before price reductions are considered. Should the trade sector propose the production of an additional number of cigarette brands suitable to the pocket money of workers and civil servants or sell shredded and "bag" tobacco for the addict?

Expansion of the retail sales and agent network in the inner city has been better than in the suburban districts. A broad network is good but a problem requiring additional observation is how the service is organized. At the tobacco agent points of private operators and ward cooperatives or at the retail

sales points of state trade stores, many service formulas in various guises are encountered. At the privately operated agent points, sales contrary to the stipulated prices often occur, especially in the early morning and late afternoon, with many different reasons such as, "The trade only assigns agents for Sa Pa cigarettes while the Song Cau brand must be bought on the outside," or "Many of the cigarettes are damaged and sales must be a little higher to compensate and to prevent excessive losses," etc. At the agents of ward marketing cooperatives, occasionally a customer purchases a pack of cigarettes with the retail price calculated at the individual cigarette rate, and some locations conduct retail sales as permitted but when cigarettes are scarce, sell every carton to private operators for a profit. At the state-operated retail sales points, some locations prefer to sell an entire pack while some will only sell two cigarettes per person, some will not sell to women, etc. The refreshment stands will only sell by the pack at the individual cigarette retail rate. With this agent area, it is probably necessary to regularly inspect compliance with regulations on cigarette prices and quality (genuine or counterfeit). If violations occur, whether in the private operator or collective area, a severe fine is necessary with the degree of prosecution depending on the number of offenses and attitude of the individual or agent.

There are still many opinions that management is not yet firm because there are presently still hundreds of refreshment stands, coffee shops and tobacco "baskets" selling all brands of cigarettes, including foreign brands, and continuing to display and operate openly. In the areas of Nguyen Cong Tru and Luong Van Dan, at the head of Hang Ma and Thuoc Bac, and at Hang Giay, many people roll cigarette after cigarette and openly buy and sell cigarettes by the pack, shredded tobacco, etc. Naturally, they set the price themselves.

It may be stated that when unified management of the cigarette business was first implemented, because of the daily and weekly reports, wards and districts also had the difficulty of inspecting and strengthening management. In the interim, because the city gave few reminders, locations plunged into concern for other goods such rice, pork, etc., and cigarettes were abandoned, the network of private operators expanded and operated openly.

If the problems above are resolved directly from the source, it will create a better effect on management of the cigarette market and will surely produce better results in many aspects in order for socialist commerce to advance toward control of the market.

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HEALTH, EDUCATION AND WELFARE

IMPROVEMENT OF FOREIGN LANGUAGE STUDY DISCUSSED

Hanoi NGHIEN CUU GIAO DUC in Vietnamese No 3, Mar 85 pp 9, 15

[Article by Bui Hien: "Methods for Improving the Quality of Foreign Language Instruction in General Schools"]

[Text] The Situation of Foreign Language Instruction Since 1981

Transformations:

Since the Resolution of the Political Bureau on educational reform the teaching and study of foreign languages have received more attention. There has been such progress as:

1. Foreign languages have been included in the general school curricula nationwide in classes 6 to 12 along the lines of the educational reform. That policy has had a great effect on transforming consciousness in the education sector and thanks to it the quality of instruction and study has gradually been oriented toward the goal of actual practice, i.e. toward the goal of attaining effectiveness in the use of foreign languages.

2. The study of foreign languages at the general secondary school level has been strongly promoted in order to advance to making foreign languages a compulsory course for all students.

3. A number of unified nationwide stipulations have begun to be made about guiding the use of old books and gradually replacing them with reformed books.

The transformations in consciousness, organization, and guidance, combined with the renovation of contents and methods, has led to improved quality in the teaching and study of foreign languages. In some large cities students have demonstrated their interest in that subject and many can use foreign languages in listening and speaking in the sphere of the course they have studied. An outstanding example is the teams of Russian language students who participated in the 1981 and 1984 international olympics in Moscow: all 12 students won prizes, including 9 gold medals and 3 silver medals.

Remaining problems:

1. There is no continuation in the teaching and study of foreign languages from the elementary level general schools to the secondary general schools and the colleges. Many places stop teaching foreign languages at the end of elementary schools, so when they reach the secondary general school level the pupils must start from the beginning, which bores them. At present, because the only foreign language taught at the college level is Russian students who studied English and French in the general schools must change over to studying Russian from the beginning and they don't use the English or French they learned so they forget it, which causes considerable waste.

2. The management and guidance of instruction and study are not carried out in accordance with unified plans for each level nationwide but are left up to the localities and schools to carry out that task in accordance with their own plans, so there exists the situation of some places teaching one 15 minute period and some places teaching four 15 minute periods. Therefore, some schools use one textbook a year while others take 3 years to finish one textbook.

3. Textbooks are essential for pupils but at present a widespread situation is that there is only one book for every two or three students, so the instructors must allow the pupils to copy lessons in the classroom, which takes up all of the pupils' practice time. Furthermore, there is a difference between handwritten material and printed material, so the pupils are not taught to read printed books but have only what they have written down in their notebooks, which is incorrect and smudged, so many of them have to read their notebooks over and over before making out the words.

4. At present very few places are able to organize foreign language classes of 25 to 30 children; the norm is still large classes of 50 to 60. Therefore, each pupil has less than half a minute to practice speaking. Furthermore, in fact more than half of the class, about 30 pupils, cannot participate in the study because they have no opportunity to listen or speak. Such pupils usually do other work, which causes a disorder during the class period.

5. The level of the instructors is still low, especially with regard to methods. Most of the instructors have not been trained in the new methods, they have practically no guide books, and they teach from the new textbooks by using the old methods, which causes the contents to become dull and unattractive to the pupils.

Methods for Improving Quality That Have Been and Are Being Implemented:

1. The improvement of instruction and study is being researched in a number of places to gain experience:

--There is coordination with the basic units in organizing instruction-study experiments on scientific basis at the elementary school level. The classes are small, each pupil has a textbook, study is in correct accordance with the stipulated 4-3-3-3 15-minute periods a week and study is uninterrupted and not cut short or left unfinished. The actual situation has demonstrated that

reorganization on a scientific basis is an essential precondition for ensuring that instruction and study bring about real results, and that there are capabilities for carrying out that reorganization.

--Some bases are being guided in carrying out experiments with the new Russian and English textbooks in the primary schools. The instructors at the basic level are helped to firmly grasp the requirements, contents, and methods of instruction and study according to the reform books, and they are assisted in gaining experience, giving model lectures, etc. In addition to organizing classes on scientific bases, teaching and study according to the new contents and methods at the basic level have brought about good results.

For example, after a year of study the results of the sixth grade English class at the Tan Trao School in Hoan Kiem Ward, Hanoi was examined. It was found that 90 percent had met requirements and 70 percent attained "fair" and "good" levels. In a test class, 50 percent met requirements, while in ordinary classes (in which nothing was invested) practically none of the pupils could understand or speak the language.

2. Russian, English, and French curricula have been prepared and tried out along the lines of the educational reform, after which lessons were learned. On that basis improvements were made in the curricula, which the Ministry authorized for use as a basis on which to prepare educational reform textbooks.

3. The teachers have received continuous, concentrated training regarding the contents and methods of instruction and study according to the education reform. The Hanoi school for supplemental teacher training has also provided specific guidance regarding the requirements, contents, and methods of each lesson and even each exercise. Therefore, the teachers have better understanding that the basic goal of teaching and studying foreign languages is actual practice and gradually become familiar with the principles of active practice.

4. There is coordination with the language faculties a number of colleges and normal schools in introducing practice contents and methods into the pedagogical methods curriculum and in introducing the students to, and guiding their use of, the new textbooks before they begin their practice teaching.

Those basic measures are quality levers which must be implemented in a complete and unified manner if they are to serve to gradually improve quality. The quality of the teaching and study of foreign languages is the combined result of many factors which together affect the educational objective according to a certain objective. There are four basic, permanent factors which directly affect the process of instruction and teaching: teachers, students, books and management organs. In order to improve the quality of foreign language instruction and study in accordance with the goal of grasping foreign languages as practical tools it is necessary to improve all four of those factors. The factor that must be transformed first of all is the management of education, for it plays the most decisive role in improving the quality of teaching and studying foreign language.

In order to guide and organize the factors so that those factors can work together in harmoniously affecting quality, it is necessary to set forth a strategy for developing foreign languages with specific goals, effective methods, and solid progress.

Education is a process of guiding the educational factors in accordance with a definite educational quality goal. Therefore, it is not only a matter of issuing orders to the operational factors, but also a matter of monitoring and adjusting the activities so that they are oriented toward the predetermined goals. If that is to be accomplished it is necessary to promptly and accurately grasp feedback information. But the signals of those operational factors sent to the control center are refracted and therefore lack the necessary reliability. Thus it is necessary to apply another effective measure: supervision. Under the present conditions, if we do not resolutely and urgently carry out the supervision of education we cannot guide the educational process toward the right goal. It is an extremely important measure for improving the quality of education in general and the quality of foreign language instruction and teaching in particular.

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HEALTH, EDUCATION AND WELFARE

DEVELOPMENT OF ETHNIC MINORITY TEACHERS DISCUSSED

Hanoi NGHIEN CUU GIAO DUC in Vietnamese No 3, Mar 85 pp 25-26

[Article by Hoang Ba Bich: "Sources of Local Cadres in the Mountain Region"]

[Text] Gia Lai-Kon Tum has a population of 570,000, 60 percent of whom are ethnic minority people whose level is still very low. Since 1975, the central echelon has provided many management and scientific-technical cadres, but those forces still have not been able to meet the province's economic construction and development needs. That is also one of the reasons why Gia Lai-Kon Tum has made no progress during the past few years, and it has greatly limited local economic construction and development.

The problem that is posed here is that it is necessary to have additional means of on-the-spot training and the training of local people. Public education is the basis for the creation of those sources. But in recent years more and more difficulties have been encountered in the education situation in the ethnic minority areas in Gia Lai-Kon Tum, and now that situation is deteriorating at an alarming rate. The number of ethnic minority students becomes smaller and smaller as the level increases (Level I: 50 percent; Level II, 10 to 12 percent; and Level III, 1 to 2 percent). Even at the first and second levels attendance is irregular: at the beginning of the year there are large numbers of students in attendance but toward the end of the first or second quarters the numbers gradually decrease, and in some places there are practically none. The quality of education is also very low. Even 9 years after the liberation in many ethnic minority areas there are only second and third grade classes, in some places there are only first grade classes. The weak, deficient situation is manifested in many ways: students remain in schools for years without being promoted, so when they take examinations to enter Level III their scores are too low, and as far as they are concerned education is not very "attractive." Furthermore, the villages are far apart, travel is very difficult, and ethnic minority children seldom want to travel far from their homes, fields, and parents. Everything in the schools, including furniture, blackboards, etc., is very primitive and scarce and the children do not like them, for they are not much different from the huts in the hamlets. Then there is the matter of the teachers not being of the same ethnic group as the pupils! They do not know the ethnic minority language and do not understand the customs, habits, and characteristics of their pupils. People who teach in the ethnic minority areas do not know the local language,

do not quickly gain understanding of the customs and habits of the people, and have not yet become part of the locality in order to do a good job of carrying out propaganda and education and encouraging the masses to do a good job of implementing the policies and lines of the Party and state, including those regarding the education work. Among the people, understanding of the education is still beset with many distortions. Many outmoded, backward customs and habits, such as open burial, sacrificing water buffaloes, animal sacrifices, etc., also exert great influence on the children's study.

A more important problem is the lack of concern for supervision, leadership, and guidance of the party committee echelons and basic-level governmental administrations with regard to education. There are no suitable regulations and policies toward people who teach and study in the ethnic minority areas.

Implementing the resolutions of the central and local echelons during recent years, Gia Lai-Kon Tum has been concerned with organizing a series of school systems: ethnic minority youth work-study schools, district boarding schools, etc., in many different forms. Some, such as the Dakto, Depak, and Bongoong ethnic minority youth work-study schools, have attained definite accomplishments. But those accomplishments have been few and haven't amounted to much, and many of the students leave school because they are homesick and don't have enough to eat.

In order to improve the situation and create a basis for the on-the-spot training of local people, a matter of foremost importance is that the sectors, the party committee echelons, and the governmental administrations must realize that is not a problem of the education sector alone, but of society as a whole. The state and the localities must boldly invest in education, as it does in the economy (in fact, to invest in education is to invest in the economy in the most effective manner). We must organize a system of schools in each village, use local people as teachers (perhaps there will still be many limitations), then gradually raise their levels. The local educational management cadre should be a village party committee member. It is necessary to organize state-operated boarding schools like those organized in the north in the 1954-1975 period in the north.

The basic direction for resolving the problem of educational quality for ethnic minority students is improving curricula and textbooks. In addition to organizing bilingual systems (Viet-Jarai and Viet-Bhanar) in the schools, their contents must be improved. The students should only be taught basic subjects and the most essential things, so that they can immediately apply what they learn to production and life, study should be combined with practice in each course and specific lesson. There must be appropriate textbooks which are attractive and appeal to the students' curiosity.

Another important matter is that it is necessary to think about the time of study in the Central Highlands, where there are 6 dry months and 6 rainy months. That is a difficult problem but not one that cannot be overcome. The reason why many students have dropped out of school is that of time (school begins in September but in October, when the rice is husked, they must take

time off from school to work with their parents; in February they take time off for the lunar new year, and in March and April they take time off to celebrate the lunar new year of the ethnic minority people).

The revolution is a mass undertaking. In order to build, and advance the Central Highlands ethnic minority people (including those in Gia Lai-Kon Tum) to socialism, there must be a corps of ethnic minority cadres. Therefore, rapidly training a corps of ethnic minority cadres is an extremely urgent and pressing task to which the sectors and Party echelons must pay attention.

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HEALTH, EDUCATION AND WELFARE

HANOI SUMMER TAP WATER SHORTAGES CONTINUE

Hanoi HANOI MOI in Vietnamese 20 Apr 85 pp 2, 4

[Article by Nguyen Thuy: "Tap Water This Summer"]

[Text] During the summer of 1983, the weather was bad with an extended period of hot weather which caused lowered stream levels; this, accompanied by continuous electric power losses and reductions, caused the tap water problem in Hanoi to become a thorny matter in daily living. In some locations, the water was reduced to a trickle and even stopped flowing. Thus, on many streets where the water level had declined, the people tapped into lower level pipes to obtain and use the water right on the sidewalk. This arbitrary pipe destruction not only contaminated the tap water but also caused serious waste (not counting the losses in appearance and sanitation). This was because in those locations where the pipes were tapped, when no one was obtaining water and especially throughout the night, the water continued to wastefully run. Water became increasingly scarce. On some days, the city had to use "tanker" trucks to supply the people and a number of hospitals.

Gaining experience, at the very end of 1983, the Hanoi Water Supply Corporation promptly proposed a course for developing the supply of water for future years, posed a production objective of 101.79 million cubic meters of water and concentrated on resolving the points of water shortage during 1983 in order to overcome the necessity for supplying water by "tanker" truck. Old water wells were maintained and new ones quickly brought into use, 25 long-plugged 60-150mm pipes (for a total of 32 kilometers) were cleared, and more than 1,000 water terminals were repaired and replaced with new ones. Eight water supply management committees were established for areas of multifloor buildings. At the same time as the tasks above, the Water Supply Corporation received the support of sectors and echelons in the city and of propaganda agencies in launching a campaign to resist water waste and to achieve frugal use of water in all agencies, enterprises, work sites, and cooperatives and among the people. The wards all established committees to supervise water supply and to resist water waste made up of representatives from the investigation, public security, trade union and people's inspection sectors and led by a vice chairman of the People's Committee. These committees organized inspection groups made up of the four forces to inspect and handle violations as determined by the Municipal People's Committee of "protecting water sources and water supply projects and using water within the city." The results are that during 1984, more than 40 units were prosecuted for wasting water, more than 400 households were fined for having illegal water taps, nearly 50 taps were confiscated, and water payments worth more than 550,000 dong were tracked down and collected.

The water supply situation during the summer of 1984 clearly improved. Nevertheless, along with the achievements, there were also existing weaknesses:

- Because the corporation had not yet rationally readjusted the production operating regulations and water supply to the city was not yet consistent with reality, some locations occasionally had water shortages. A number of water stations still wasted water in the production line.

- Prosecution was not strict or thorough (a number of taps were legalized and there were a number of illegal taps). A number of cases were not prosecuted, leading to a small number of corporation employees assisting in the installation of illegal taps.

- The situation of tap water waste continued to occur, especially in the industrial and construction areas.

In the approaching summer of 1985, the Water Supply Corporation will place in use an additional number of new wells but a number of the old wells have gone bad and the electric power is still unstable (voltages are better but outages have increased with 1,300 outage hours during the first quarter). Summer is not yet here but a number of locations have suffered water shortages, the water pressure is extremely weak and the quality is not assured.

The Water Supply Corporation has proposed efforts to achieve a 5 percent reduction in the amount of water lost throughout the water supply system and in the use of water; to promptly repair leaks from wells to faucets (with specific time regulations for each type of pipe); the closure of source valves and technical handling of excessively strong public taps to avoid wasteful water use; coordination with inspection groups from the four municipal forces and ward and subward water supply supervisory committees in continuing to inspect and prosecute cases of illegally tapping water pipes and illegal use of water, etc. Regarding water consumers, every agency, enterprise, work site, cooperative and individual must have greater consciousness in resisting water waste and in the conservation of water. Only in this manner will it be possible to prevent the water problem in the city this summer from becoming as tense as the sizzling hot summer of 1983.

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HEALTH, EDUCATION AND WELFARE

FIRM VIDEO CASSETTE MANAGEMENT ADVOCATED

Hanoi HANOI MOI in Vietnamese 20 Apr 85 p 4

['A Story a Day' Column by The Builder: "When It Becomes a Requirement of the Audience"]

[Text] There has suddenly risen a "movement" to watch films on image recording tape (video cassettes). Most of the participants are young people competing with each other to find and purchase tickets; the "inside tickets" costing about 20 dong a pair are often difficult to buy. The "outside tickets" are also always available and if one wishes to watch, one can do so immediately by spending only a few hundred! There are also not a few locations where, due to the "search" for "appealing" films, occasionally all tickets are sold at a high price but viewing is not guaranteed because of the small screen and an audience at times rising to 400 or 500 people. Some people go out of curiosity and depart in anger.

Concerning the contents of the films shown, a preliminary examination by The Builder indicates that many films are used only for a number of responsible agencies and cadres to study and consult. Unfortunately however, because most of the viewers in the past have not been of this type, distorted and harmful perceptions have been unavoidable.

Concerning the matter above, I present the following for discussion:

When the preference for this modern means of mass communications becomes a requirement of a majority of the audience, suppose the responsible agencies used this very means in generally beneficial propaganda. To do this, we must have a method of managing the equipment, video cassettes, etc. Any films permitted to be shown, and shown to support any viewers, must be under unified handling from the time they are approved by the agency to their distribution, and in the locations issuing permits as well as those organizing showings, promptly halting and appropriately prosecuting those locations conducting indiscriminate viewing of films without permits for widespread showing, causing harm to the viewer, to propaganda work in general and to cultural management.

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BIOGRAPHIC

INFORMATION ON VIETNAMESE PERSONALITIES

[The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisked job title indicates that this is the first known press reference to this individual functioning in this capacity.]

Nguyễn Minh Cảnh² [NGUYEENX MINH CANHR]

Acting Director of the Urban Projects Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Côn [NGUYEENX COON]

Director of the Commerce Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lương Ngọc Cừ [LUWOWNG NGOCJ CUWF]

Chairman of the People's Committee, Gia Lam District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Xuân Du [NGUYEENX XUAAN ZU]

Chairman of the People's Committee, Hoai Duc District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Hoàng Trọng Đại [HOANGF TRONGJ DAIJ]

Vice Minister of Foreign Trade; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phùng Văn Diên² [PHUNGF VAWN DIEENR]

Chairman of the People's Committee, Thach That District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Văn ~~Đ~~ĩnh [NGUYEENX VAWN DINHJ] aka Minh Dat [MINH DATJ]

Chairman of the Collective Farmers Federation, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Trọng ~~Đ~~ông [TRAANF TRONGJ DOONG]

Chairman of the People's Committee, Ba Vi District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lê Thị ~~Đ~~ôi [LEE THIJ DOWIS]

Director of the Labor Service, Hanoi; her election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Tiến ~~Đ~~ức [NGUYEENX TIEENS DUWCS]

Vice Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Hoàng Vĩnh Giang [HOANGF VINHX GIANG]

Deputy Director of the Physical Education and Sports Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lữ Giang [LUW GIANG], Lieutenant General

Commander, Capital Military Region; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

~~Đ~~ặng ~~Đ~~ức Hà [DAWNGJ DUWCS HAF]

Director of the Electric Power Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

~~Đ~~àm Hồng [DAMF HOONGF]

Chairman of the People's Committee, Dong Anh District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Văn ~~Đ~~ồng [PHAMJ VAWN HOONGF]

Chairman of the People's Committee, Hoan Kiem Ward, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lê Ất Hợi [LEE AATS HOWIJ]

Vice Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Duy Huân [NGUYEENX ZUY HUAAN]

Chairman of the People's Committee, Phuc Tho District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Đặng Huỳnh [DAWNGJ HUYNH]

Chairman of the People's Committee, Tu Liem District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Văn Kết [NGUYEENX VAWN KEETS]

Chairman of the People's Committee, Soc Son District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Vũ Mạnh Kha [VUX MANHJ KHA]

Director of the Education Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Văn Khâu² [NGUYEENX VAWN KHAAUR]

Vice Minister of Supply; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Bùi Xuân Lai [BUIF XUAAN LAI]

Deputy Secretary of the CPV Committee, Dan Phuong District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Đào Xuân Lâm [DAOF XUAAN LAAM]

Director of the Communications and Transportation Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Vũ Đức Lân [VUX DUWCS LAAN]

Deputy Head of the Railways General Department; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Sĩ Liêm [PHAMJ SIX LIEEM]

Vice Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lê Huy Liêu [LEE HUY LIEEUJ]

Director of the Bach Mai Hospital, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Tâm Long [PHAMJ TAAM LONG]

Director of Public Security, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Bùi Xuân Lộc [BUIF XUAAN LOOCJ]

Director of the Culture and Information Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Phú Lộc [NGUYEENX PHUS LOOCJ]

Director of the Justice Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Lợi [PHAMJ LOWIJ]

Secretary of the Trade Union Federation, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Văn Luân [NGUYEENX VAWN LUAAN]

Director of the Grain Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Đinh Văn Lữ [DINH VAWN LUWX]

Director of the Agriculture Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phùng Minh [PHUNGF MINH]

Director of the Housing and Land Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Vũ Trọng Nam [VUX TRONGJ NAM]

Vice Minister of Home Trade; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lê Nghĩa [LEE NGHIA]

Chairman of the People's Committee, Thanh Tri District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lương Văn Nghĩa [LUWOWNG VAWN NGHIA]

Director of the Federation of Import-Export Corporations, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Thị Thành Nhân [NGUYEENX THIJ THANH NHAAN]

Director of the Food and Catering Service, Hanoi; her election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Văn Nhân [PHAMJ VAWN NHAAN]

Chairman of the People's Committee, Dong Da Ward, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Đường Danh Nhượng [ZUWOWNG ZANH NHUWOWNGJ]

Secretary Member of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Ngọc Oánh [NGUYEENX NGOCJ OANHS]

Director of the Hanoi Bank; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Phạm Khắc Quảng [PHAMJ KHAWCS QUANG]

Chairman of the Fatherland Front Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Văn Sáu [NGUYEENX VAWN SAUS]

Chairman of the Peoples Committee, Me Linh District, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

~~Đ~~ông Minh Sơn [DOONGF MINH SOWN]

Deputy Director of the Building Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Quang Sùng [TRAANF QUANG SUWNGF]

Vice Minister of Light Industry; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Công Tan [NGUYEENX COONG TANJ]

Vice Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Tân [TRAANF TAANS]

Deputy Secretary of the CPV Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

~~Đ~~ào Văn Thái [DAOF VAWN THAIS]

Chairman of the People's Committee, Son Tay City, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Lê Thanh [LEE THANH]

Chairman of the People's Committee, Hai Ba Trung Ward, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Xuân Thắng [TRAANF XUAAN THAWNGS]

Director of the Finance Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Cao Tiểu [NGUYEENX CAO TIEEUX]

Deputy Director of the Industry Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Nguyễn Quốc Trung [NGUYEENX QUOOCS TRUNG]

Director of the Water Conservancy Service; Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Văn Tuấn [TRAANF VAWN TUAANS]

Acting Secretary of the Ho Chi Minh Communist Youth Union, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trưởng Tùng [TRUWOWNG TUNGF]

Vice Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Trần Vĩ [TRAANF VIX]

Chairman of the People's Committee, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

Bùi Quý Xiêm [BUIF QUYS XIEEM]

Director of the Public Health Service, Hanoi; his election to the 9th People's Council, Hanoi, was reported in the cited source. (HANOI MOI 27 Apr 85 p 3)

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VISITOR TO VUNG TAU DEPLORES BEHAVIOR OF SOVIET VACATIONERS

Beijing TIN VIET NAM in Vietnamese Mar 85 pp 21-23

[Article by Ly Phong: "Things Seen and Heard"]

[Text] On a recent visit to Vung Tau, I saw about 20 foreigners, men and women, in revealing, multi-colored bathing suits, dancing about in a demented fashion to strident music that emanated from a modern cassette player. I learned from onlookers that they were Russians who work at the Joint Vietnamese-Soviet Oil and Gas Enterprise. They were jumping about, slapping their buttocks, swinging their shoulders, and shouting, "Vietnam, Ho Chi Minh! Vietnam, Ho Chi Minh!" in badly accented Vietnamese that irritated passersby. Nevertheless, this group of Russians had attracted a rather large crowd of teenagers and young people, who stood about looking on.

A number of adults approached the local public security post to express their displeasure with the Russians' behavior. They said, "By gathering in the streets to dance, these scantily clad men and women technicians not only offend the customs of the Vietnamese people, ruin the appearance of the city, and affect traffic, but also seriously poison the ideology and conduct of our children. As upholders of the law, you men also know that over recent years the state has launched many campaigns against decadent, imported culture, so how can you public security personnel knowingly turn your backs on this matter?"

Confronted with these stern statements from the people, an officer in the public security post could only reply, "The state and we are one, but in this case please understand that they are Russians."

Meanwhile, Mr T., a friend of mine who works in the Vung Tau Travel Corporation, told me that it is commonplace for Soviet technicians and their dependents to dance in the streets or on the beach in bathing suits whenever they go to the beach to go swimming. He then whispered in my ear, "With Mr Duan completely dependent on the Russians, he must be filial toward them. In hotels, for instance, the rooms for Russians are on the most spacious streets, although they are charged the least, and they must receive the best service. The Russians live very freely here, seeking out troublemakers and pointing their cameras at whatever they want and snapping pictures incessantly. Yet

the public security people not only dare not confiscate the cameras, but dare not even notice anything. The Russians disregard virtually all regulations regarding foreigners in the city. Before ships weigh anchor and leave Vung Tau, the Russians usually covertly purchase Vietnamese antiques and such other things as Japanese watches and American Levi clothes to bring back home. When they leave the hotel, they never forget to leave behind nude photos as momentos. These degenerate photos have been circulated widely in society by hotel service personnel.

The above sights and sounds make it clear to us that under the ruling yoke of the Le Duan gang Vietnam has become not only a military base of the Russians, but a place for the Russians to freely disseminate an unwholesome way of life and to harm the fine traditional morals and customs of the Vietnamese people.

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